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Ontario Royal Commission on Book
Publishing
Hearings 1971



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ROYAL COMMISSION ON BOOK PUBLISHING

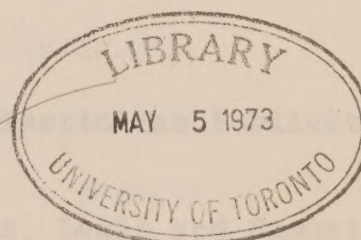
Hearings

Mr. Richard Rohmer, Q.C. Chairman
Dr. Marsh Jeanneret Commissioner
Mr. Dalton Camp Commissioner

Mr. Robert Fleming Executive Secretary

252 Bloor Street West, Toronto
Ontario, April 28, 1971

This transcript has not been edited,
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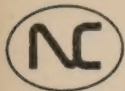


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TORONTO 1



SUBMISSIONS OF

Mr. Campbell B. Hughes, President,) Canadian Book Publishers' Council.
Mr. Toivo Roht, Executive Director,)
Mr. Wallace A. Matheson, First Vice-President,)
Mr. L.H. Newnham, Treasurer,)
Mr. John Routh,	Course Director, Seneca College
Mr. A.J. Twa, President,	Berandol Music Ltd.
Mr. W.C. Heine,	Editor, London Free Press
Mr. Jack E. Stoddart, President,) General Publishing Co. Limited
Mr. Al Knight, Executive Vice-President)
Mr. Russell A. Blenkarn, Manager, Educational Dept)
Mr. Rafael Barreto-Rivera Manager, College Dept.)
Mr. Gordon Ratcliffe, General Manager, Book Service of Canada)
Mr. Jack Stoddart, Jr., Sales Manager, Musson Books and Paperjacks)
Mr. W.C. McMaster, Managing Director	Scholastic Tab Publications
Mr. James Lorimer, Vice-President,	James, Lewis and Samuel Publishers.



Toronto, Ontario,
April 28, 1971.

---The hearing commenced at 10.00 a.m.

THE CHAIRMAN: Well, ladies and gentlemen we are reconvened. We have this morning an interesting brief from the Canadian Book Publishers' Council represented this morning by, that is I understand, Mr. Campbell Hughes the President, Mr. Wallace Matheson, First Vice-President, Mr. Toivo Roht, Executive Director and Mr. L.H. Newnham, Treasurer. I understand also that there are other members of the organization in the body of the auditorium and the suggestion has been put to us that in the event that the questions to be put -- and I can barely perceive of this happening -- may be of a nature that you may wish to invite members of your organization to answer, will be acceded to by all means.

Would you please proceed, Mr. Hughes?

SUBMISSION BY CANADIAN BOOK PUBLISHERS'
COUNCIL

MR. HUGHES: Mr. Chairman and Commissioners, I am very happy to be here representing the Canadian Book Publishers' Council. The Book Publishers' Council is a profile of publishing as it is and as it has been in Canada since the formation of its earliest organization in, I think, about 1910. We have never attempted to look at the question of ownership



1 which has become of great concern to the public
2 in recent months. We have thought primarily in
3 terms of the purposes of the organization which is
4 to advance the cause of book publishing in Canada
5 through ethical means, through the improvement of
6 service and most particularly through the
7 sponsoring and operation of book displays.

8 At the present time under a
9 display director we are putting on probably 50 to
10 100 displays per annum. Some of these are as
11 far away as Frankfurt, Germany and one upcoming
12 in Dallas, Texas. Others are concerned with local
13 school districts, local libraries and so on.

14 The Canada Council permitted us to
15 achieve a new plane of operations in 1968 with
16 the giving of a grant which covers the cost of the
17 salary of an executive director. The Council has
18 recently changed the basis for their gift and at
19 the moment we are not in receipt of any funds
20 from them although there is some prospect of funds
21 being received in the future. They have also
22 funded certain special projects such as the study
23 of the review media undertaken by Val
24 Clery in the past year.

25 We can look back on a number of
26 achievements and within the brief you will find a
27 history of these. We are proud of our involvement,
28 for example, in seminars and extension courses for
29 people both within and outside the industry. It
30 has become an annual event for the University of

1 Toronto to offer seminars or at least extension
2 courses both to the general public and to members
3 of the publishing industry.

4 We had a key role in bringing into
5 being Canadian Books In Print together
6 with the Book Sellers' Association and certain
7 other groups and this, I think, has advanced the
8 cause of Canadian publishing and Canadian books,
9 Canadian authors, considerably -- not just in
10 Canada but throughout the bibliographic areas of
11 the world.

12 We have sponsored for, I think,
13 eight years a mass participation at Frankfurt,
14 the Window on the World in book publishing where
15 more than 3,000 publishers exhibit their wares.
16 The expenses thereof have been paid in some measure
17 by the Canada Council but also by the members of
18 our Canadian Book Publishers' Council. In
19 many ways we have had liaison with the federal
20 government. We have been one of the sponsors' and
21 continue to court heavily on the work done by the
22 Canadian Copyright Institute. As you heard yesterday
23 from the Ontario Library Association we have worked
24 closely through a joint library-publishers'
25 committee to improve services, order forms, invoices,
26 catalogues and that sort of thing. This is an on-
27 going project.

28 I have to say and place on the record
29 that to a man within the organization and without
30 regard for ownership we are especially concerned with



1 the advancement of the Canadian book. Certainly,
2 the importation of books is an important part of
3 our industry and is one of the two props that
4 keep most publishing houses going but there is
5 no infringement on our interest in the production,
6 the writing and the marketing of Canadian books,
7 both in Canada and around the world.

8 Some comment has been made -- and
9 I don't want this to sound offensive -- of the
10 fact that the Canadian Book Publishers' Council
11 represents the established industry. It has
12 represented the total industry as I mentioned,
13 for 60 years. The fact that we operate now on
14 a budget of some \$90,000 per annum with only 40
15 members means that the average contribution per
16 member firm has to be about \$2,000. This is spread
17 according to the ability of the firms to pay but
18 last year and since the formation of a number of
19 smaller and less affluent publishing houses we
20 have sought ways to be fair to all and to include
21 these as members. I am happy to say that this has
22 now come to pass and that recently some of the smallest
23 and least affluent firms have been able to join
24 the Book Publishers' Council and I say with all my
25 heart that we have welcomed them.

26 One area where we have seemed to not
27 have co-operation -- and I will not say that it is
28 entirely the fault of any particular party --
29 is with the province in which most publishing houses
30 operate. We have here in Ontario a Council for the

1 Arts which we feel should be more concerned about
2 book publishing than it is. We look at our sister
3 organization, Conseil de Livre in Quebec which has
4 received immense support from the Department of
5 Cultural Affairs which is a provincial organization
6 in Quebec.

7 Having said that, sir, we have to
8 stand on our record. We are an active organization,
9 we are a highly imperfect organization. We are
10 doing our best to further the same concerns which
11 I think motivate the Royal Commission on Book
12 Publishing.

13 THE CHAIRMAN: Thankyyou,
14 Mr. Hughes. I don't think your Council has any
15 monopoly on imperfection. It is something from
16 which I think all of us suffer.

17 Again we have read the brief and
18 my own personal reaction to it is that it is an
19 extremely well prepared document. It has been
20 of enormous help for its historic background.
21 There are many points which you have raised which
22 I know my colleagues and I wish to discuss with you.
23 I might say to you that I think the record should
24 also indicate some of the accomplishments of the
25 Council which you enumerated and quite properly
26 are well-deserved but some share at least
27 should be given to my distinguished colleague,
28 Marsh Jeanneret, who has participated to some
29 extent. I would like to say that. I am
30 extremely aware of that.



1 MR. HUGHES: I am very glad you did, sir.

2 I did not know whether it was proper.

3 THE CHAIRMAN: It is not improper.

4 DR. JEANNERET: You are now going
5 to face new charges of corruption, Mr. Chairman.

6 THE CHAIRMAN: That will be a long
7 list by the time we are finished.

8 MR. HUGHES: Mr. Chairman, I would
9 like to set on the record that the brief is the
10 work of not the executive of this Council because
11 we felt that we wanted to represent the group
12 as broadly as possible by bringing in the best
13 possible people. The authors, many of them, are
14 in the audience here but they were the best people
15 that we could put the finger on to do a lot of hard
16 work.

17 THE CHAIRMAN: Since I made a
18 reference to Dr. Jeanneret, do you want to start?

19 DR. JEANNERET: Well, needless to
20 say that reading over this brief gave me a
21 certain feeling of deja vu as you will understand.
22 I don't know whether to stand aside and let my
23 fellow Commissioners ask the questions or ask a
24 few myself. I have a few that I would like to bring
25 out and it is a very long brief. It is obviously
26 a basic brief. The points I want to raise are not
27 of any particular importance and are more or less
28 in sequence. If we move back to page 3 this might
29 be worth a comment, an unimportant one perhaps.
30 You say:

1 " A look at the number and scope of
2 the various commissions, inquiries, and
3 studies that are now being conducted ..."
4 I think this is the first time this Commission which
5 has been blamed for many things has been blamed for
6 the purported fall-off in the book business in
7 Canada. I am saying that facetiously but I
8 think it would be worth expanding on what you mean
9 by saying that in effect there has been a fall-off
10 in the book business by reason of the inquiries
11 and studies that are being made. I think it is
12 a significant statement.

13 MR. HUGHES: I am sorry that you
14 take this personally,

15 DR. JEANNERET: I don't.

16 MR. HUGHES: It really applies to
17 this Commission less than others but we do know
18 that there are a certain number of inquiries --
19 and I will use one example only, the province of
20 Nova Scotia which is examining the expenses of
21 the Department of Education and I am told that a
22 great deal of commitment to further purchase is
23 pending the result of that examination. There
24 are others of a similar nature both at a local level
25 and at a provincial level. This does not refer
26 particularly to the work of the Royal Commission
27 on Book Publishing in Ontario although I don't
28 doubt that it has a certain effect.

29 DR. JEANNERET: Along on page 35
30 you say:





1 " However, the Council recognizes and
2 applauds the efforts made by Canadian
3 jobbers to maintain and increase the
4 purchase of library books in Canada."

5 I think that it would be worth our spending a
6 few moments discussing what you mean by,
7 "Canadian jobbers" in this context and I think
8 in the same connection it would be worth discussing
9 the recommended restriction that you suggest on
10 the same page, a restriction to be imposed on
11 educational institutions and public libraries,
12 to buy through Canadian channels wherever possible.
13 We have to define -- we understand the
14 recommendation, whatever our personal position
15 may be, we have to understand what is meant
16 by "Canadian jobbers".

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1 And how one would define "whenever
2 possible" -- deciding when it is possible and
3 when it is not possible. You know we are well
4 acquainted with the problem of service, but I
5 think this deserves some special discussion.

6 MR. HUGHES: I shall start here
7 and ask Mr. Matheson to take over and cover the
8 points that I miss. Once upon a time, the
9 number of publishers was smaller, the ordering
10 systems at the local level of libraries and
11 schools was very simple. I recall as a teacher
12 myself that I simply wrote my list out and
13 gave it to the secretary of the board and
14 sometime later the books appeared. It was
15 as simple as that; no order numbers and no
16 computer or anything. This has become much
17 more complicated and we understand, I think,
18 the reason why purchasers of many books would
19 sooner go through one supply source than to
20 purchase from 40 or 50 different sources.
21 Therefore, the jobber performs a valuable
22 service. He also performs a regional service
23 at points remote from the headquarters of
24 publishing such as the far west or the far
25 east.

26 The number of jobbers who are
27 Canadian owned is relatively small and of these
28 the number who purchase in Canada totally
29 are even smaller. The jobber has two
30 choices: he can purchase from the local source



1 of supply. We are talking now here of imported
2 books. The Canadian book is seldom in question,
3 although I have seen orders asking for the
4 Canadian book sent to Palo Alto, California
5 for use in the educational institutions in this
6 province. I think that has gone by the boards
7 now. The point is that the jobber may purchase
8 from the local representative or he may purchase
9 outside. We know with the non-Canadian-owned
10 jobber he is much better equipped to purchase
11 outside, that is, to go directly to the source
12 of supply into the United States or Great Britain
13 and bring the book in.

14 DR. JEANNERET: Through his
15 foreign principal?

16 MR. HUGHES: That is right, let
17 us say jobber A has an office in Ontario and
18 he also has a parent office some place in New
19 Jersey or Pennsylvania or California, and
20 through his New Jersey office he purchases a
21 book and moves it through his own channels
22 from one side of the border to the other and
23 then on into the school.

24 DR. JEANNERET: The point being
25 that the principal would not sell to a Canadian
26 jobber directly operating in Canada, but he
27 would sell to the head office of a jobber
28 operating in Canada, because he sells to him
29 anyway?

30 MR. HUGHES: That is right. The



1 Canadian jobber, if he were attempting to buy
2 directly, would be returned to the local agent,
3 but the American-owned jobber, through its
4 parent company, buys literally thousands of
5 dollars worth of books and there is no telling
6 how many of those books end up in Canada and how
7 many of them end up in Mexico or the United
8 States or wherever. What this does is to
9 circumvent a normal, commercial thing where
10 a publisher promotes a book in the full expectation
11 he will sell them. He lists the book in his
12 catalogues, his salesmen carry them to the buying
13 institutions and he goes through all this expense
14 only to have the order in some cases
15 passed to a foreign-owned jobber who buys the
16 books through his parent sources and brings them
17 into the country. This represents a direct loss
18 to the publisher here because of all of his
19 promotion costs and it represents a disorganization
20 in the industry that is regrettable.

21 For this reason the industry
22 generally and the Canadian Book Publishers' Council
23 will do everything in its power to support the
24 jobber who buys through the normal and established
25 channels and, to all intents and purposes, and
26 with very few exceptions, this means the
27 Canadian jobber, Canadian-owned jobber.

28 MR. CAMP: Is there some price
29 advantage in this as between ---

30 MR. HUGHES: If there is a price



1 advantage, it almost entirely accrues to the
2 jobber. He is not offering the book at a lower
3 price because he does this. Certainly he is
4 able to buy the book at U.S. list minus a very
5 substantial jobber discount in the United States,
6 move it into his Canadian office and then up.

7 MR. CAMP: Just to make sure I
8 understand, the Canadian publisher, as an agent,
9 is able to compete with the U.S. jobber in terms
10 of price?

11 MR. HUGHES: I think I would
12 have to say the answer is not uniform from
13 one place to another, depending on the pricing
14 policy of an individual house -- and I based
15 a comment on that yesterday -- it might be as
16 favourable. It might even be -- I doubt if it
17 would be more favourable because a jobber has
18 all of the advantages of the local publisher-agent.

19 MR. CAMP: I am trying to figure
20 out why Canadian libraries would do this if
21 there is no price advantage.

22 DR. JEANNERET: Could you give
23 more account of the service aspect?

24 MR. MATHESON: If I may interject
25 here, there is a possibility for a price
26 differential. A library ordering directly and
27 receiving its books directly, does so without
28 any duty, regardless of the nature of the book.
29 This is not the case in terms of the importing
30 publisher. If his book is categorized as



1 clearly not subject to duty, he probably will be as
2 competitive in his present arrangement as anyone
3 else would be in the United States. If, on the
4 other hand, he has paid duty on the importation
5 of those books, then he reflects this in his
6 pricing and his pricing probably would not be
7 competitive with that obtained by a U.S. jobber.

8 DR. JEANNERET: Although it is
9 more favourable, it is not worth the trouble?

10 MR. HUGHES: That is not right.
11 The only word I can use to describe the import
12 and duty is chaotic. One book may come in at
13 one time duty free and another time dutiable,
14 the duty in most cases, being 10 per cent.

15 MR. CAMP: The phrase reoccurs.
16 that you are "shopping around" suggests to me that
17 there must be some bargain principle involved,
18 some pricing principle involved. This is
19 what "shopping around" means to me.

20 MR. HUGHES: Price may be a part
21 of it. There is something else which I think
22 is almost equally important and this is the
23 excellence of the foreign-owned jobbers' catalogue
24 in many cases. He has access to large computers.
25 He is able to prepare a catalogue which is really
26 to be envied because it is a matter of economy
27 of scale. He can produce this large catalogue
28 in huge numbers and use it here in such a way
29 that it makes it very easy to order those
30 books. In fact, I should have mentioned that



1 books in a certain jobber's catalogue be considered
2 library books and you ask for duty-free status
3 for these books. I think this is regrettable
4 and I would like to see some jobber strong enough
5 to produce such an excellent catalogue here.
6 I know that a jobber recently purchased by
7 Maclean Hunter has this intention of producing
8 a really first-rate bibliographically sound catalogue.

9 DR. JEANNERET: The librarian's
10 argument is almost always service, however, and
11 I think it would be worth your developing that
12 aspect of it a little, if you like, because I am
13 sure we will hear that from librarians.

14 MR. MATHESON: I think this is
15 a valid observation, particularly where a
16 Canadian agent is involved with some books which
17 may not clearly have Canadian rights. Quite often
18 an author would prepare a book and it would be
19 submitted to one publisher in England, the rights
20 for which are then picked up by another publisher
21 in the United States. The Canadian agent
22 representing the American publisher may not have
23 clear Canadian rights. This is a vexing aspect
24 of our industry and I suspect to may ultimate
25 users, including librarians, they would prefer
26 not to be impeded by this situation and certainly
27 by dealing with an American jobber they can
28 automatically expect to receive almost everything
29 that they order.

30 MR. CAMP: The only time they go to



1 a Canadian publishing house is for a Canadian
2 title because they can't get it anywhere else.
3 Do I understand from that that these U.S. jobbers
4 do not as a matter of practice include Canadian
5 titles in their catalogue?

6 MR. HUGHES: They may do but not
7 to any great extent. If I may take a moment
8 to give a concrete example of what Mr. Matheson
9 has just described. The book Mary Queen of
10 Scots, by Lady Antonia Fraser, was published in
11 England by a firm named Weidenfeld and they set
12 a price on it which was a fair English price of
13 something like 84 shillings, which translated
14 into Canadian dollars at the usual rate of
15 exchange, was about \$15. The rights were then
16 sold, secondary rights, for the United States
17 only, not Canada, which was retained by Weidenfeld.
18 The publisher in the United States was fortunate
19 enough to have a major book club selection which
20 meant that he increased his printing by something
21 like 50,000 and he was thereby able to offer a
22 price of \$10.95 so that you have the British
23 book which had the rights in Canada at \$15 and
24 you have the U.S. edition, which has no rights
25 in Canada, but is coming in anyway, we know,
26 through book clubs and is widely advertised here
27 at a price of \$10.95. Each of the prices is
28 justifiable but in that case the book reviewers
29 and others really took the Canadian representative
30 of the British publisher to task about this absurd



1 price.

2 MR. CAMP: May I ask who was
3 the publisher in the United States?

4 MR. HUGHES: Athenaeum, I think.

5 DR. JEANNERET: You mentioned the
6 distinction, drew the distinction between American
7 jobbers operating in Canada, that would be an
8 American-owned jobber with a Canadian branch ---

9 MR. HUGHES: Or an American-owned
10 jobber without a Canadian branch.

11 DR. JEANNERET: Without a Canadian
12 branch. The Canadian jobber you employed, the
13 latter, presumably does not have access to the
14 foreign principals. We will talk about the United
15 States for a moment -- he won't be able to
16 order directly from the American principals.
17 His orders will be referred to the Canadian agent.
18 There is also the situation of the Canadian
19 jobber with an American branch, who can order
20 directly from the American principals, I believe,
21 and this is of very great importance in some
22 areas, is it not?

23 MR. MATHESON: I would think it
24 could be.

25 DR. JEANNERET: There is at least
26 one jobber who operates on both sides of the border.

27 MR. MATHESON: I am unaware, Dr.
28 Jeanneret, of his working procedures on the other
29 side of the border.

30 I think the other thing which should



1 be mentioned here is that again on the basis of
2 size, those United States jobbers servicing the
3 U.S. market are in a position to carry much
4 larger inventories and presumably are in a
5 better position to quickly expedite orders than
6 are their contemporaries in Canada. I suspect
7 this is very important to purchasers, particularly
8 libraries, and I understand from some of their
9 submissions that the percentage of fulfillment
10 on their orders can very often be a factor in
11 determining where they will place their orders.
12 There are large jobbers such as Biggar and Taylor,
13 who are very active in the New England States
14 and, consequently, able to service the Atlantic
15 Provinces of Canada very effectively. There are
16 jobbers in the Western United States carrying
17 immediate inventories which presumably can more
18 effectively service the market in Western Canada
19 than can native Canadian jobbers.

1 DR. JEANNERET: I am anticipating
2 the librarian's argument here because we didn't
3 hear it yesterday at any length but they also
4 complain -- and we have heard them complain --
5 of lack of reporting services or adequate reporting
6 services. I think you should comment on that,
7 if you will. I know you can't speak firmly and
8 finally for every last agent.

9 MR. HUGHES: If I can bring this
10 back to the Council, obviously we have as a
11 Council no regulatory powers but we do have
12 puersuasive powers and it is my feeling that they
13 have been probably under-used in the past but
14 they certainly have been used to try to bring our
15 various members to the highest level of service
16 that is possible within their particular organization.
17 We know it is practically impossible in a company
18 that is carrying out 15,000 or 20,000 tenders
19 to have all of those tenders installed in the
20 quantities precisely required in the given period
21 of time but we also know that it is completely short-
22 sighted on their part not to give the proper
23 reports, not to report the no-Canadian rights
24 business which seems to cause more trouble than
25 any, that is to redirect the order.

26 We have put pressure on our members
27 to state in their catalogue those titles which
28 normally belong to their principals in the United
29 States or Britain and which do not have rights here
30 and to state who does have the rights thus



1 redirecting a number of orders. But I must say
2 that the local publisher has to run twice as fast
3 to be as efficient as the kind of scale that the
4 American jobber has within his grasp.

5 DR. JEANNERET: Could I return to
6 my original question and that is that you were
7 recommending that educational institutions and
8 public libraries buy through Canadian channels
9 whenever possible and you defined and explained
10 what you mean by "Canadian channels". Now, would
11 you talk about this "whenever possible"? Who
12 is going to decide if it is possible and who is
13 going to decide if it is not possible? Are you
14 thinking of an independent board or are you
15 thinking of a librarian, are you asking that the
16 librarian try you first and then be free?
17 You may not have thought this through to an answer
18 because certainly I haven't.

19 MR. HUGHES: I think the most
20 obvious "whenever possible" is that when, for
21 example, in the college library books of non-
22 English language, books from the rest of the
23 world, books from the obscure university presses
24 in various places that are not available through
25 local agents or likely through jobbers, that is
26 the most obvious exception. I didn't put in
27 the "whenever possible" but I accept responsibility
28 for it. I can't think of a possibility where a
29 publicly funded purchasing body should not attempt
30 to purchase in the country where they are operating.



1 DR. JEANNERET: I think the librarians
2 will tell us that if they have ordered and wait
3 six weeks and have heard no reply then you know the
4 story and then ask what has happened and can't find
5 out any record of their order and so on, and know
6 that they could have got it through their agent
7 in London or New York, whoever it might be, that
8 is a "whenever possible".

9 MR. HUGHES: I know of such a case
10 where a librarian made representations to the
11 Canadian Book Publishers' Council. That is what
12 we are here for.

13 THE CHAIRMAN: To follow this
14 particular point, if a public institution or body
15 such as a library should attempt to purchase from
16 within the country of its domicile which is really
17 your point, the record indicates in these
18 proceedings, up until now at least, that this is not
19 the practice and the persuasive powers of your
20 Council -- I have made a note -- you don't have
21 regulatory powers as you have said but you have
22 persuasive powers. I am envious of you because I
23 don't know whether we have got persuasive powers
24 but we certainly don't have regulatory powers.

25 In any event, what is it that we
26 could recommend that would remove this whole
27 question from an area of persuasion or suggestion
28 or attempt into some sort of, perhaps more
29 meaningful, kind of advice by way of direction or
30 otherwise? Should it be a matter of direction?



1 Obviously persuasion is not working.

2 MR. MATHESON: Mr. Chairman, if I
3 may speak to this I think that most of us would
4 not wish librarians to expend public funds in a
5 grossly inefficient manner. I think that what we
6 have felt here is that where comparable service
7 and value could be obtained by dealing with
8 companies located in Canada we would hope they would
9 be encouraged to do so.

10 DR. JEANNERET: Those companies
11 might be American jobbers.

12 MR. MATHESON: If they are located
13 in this country and are attempting to service this
14 market and can do so within a competitive relative
15 value basis then we would hope they would be
16 purchased from.

17 DR. JEANNERET: Whoever they
18 purchase from?

19 MR. MATHESON: Yes.

20 THE CHAIRMAN: That is still couched
21 in terms of wishful thinking. This has brought
22 up a very interesting point, at least to me.
23 How do you feel about this business of being a
24 little stronger than hope or wish that there might
25 be some sort of direction given? If, on the one
26 hand the government is providing the money to make
27 these acquisitions, is it fair to suggest on the
28 other hand that it might give some kind of positive
29 direction to these institutions with regard to their
30 purchasing practices? Is it fair to suggest that this

1 might occur? I don't know.

2 MR. HUGHES: I am sure, Mr. Chairman,
3 that there are precedents for this type of thing.
4 We are talking here of school boards, for example,
5 buying school buses. I have never heard of a
6 school board making a deal in Wisconsin or Michigan
7 where these buses are made in the United States
8 at a lower price so that the buses could be
9 directly imported. It would be unthinkable. Buses
10 don't come across the border the same way that
11 a book does because they are bigger but I think
12 your point is well taken and that regulation
13 concerning Canadian purchases is not an impossible
14 position and one that could be dealt with.

15 MR. CAMP: How much money are we
16 talking about here?

17 DR. JEANNERET: What is the
18 dollar value?

19 MR. HUGHES: It runs in my mind that
20 there is approximately \$40 million one way or
21 the other going out of the country.

22 MR. CAMP: Sent out by libraries.

23 THE CHAIRMAN: And other public
24 institutions.

25 MR. HUGHES: Yes. This is the gap
26 in the report on the book industry that is unaccounted
27 for by the sales of publishers based here.

28 DR. JEANNERET: They made some
29 big assumptions.

30 MR. HUGHES: The most notable example,



1 I suppose, is the northwest corner of the United
2 States and the southwest corner of Canada which have
3 centres of population greatly separated from the main-
4 stream and the way the books move from Seattle
5 to Vancouver.

6 THE CHAIRMAN: You had better be
7 very careful how you talk about British Columbia
8 because we may find ourselves out there and we
9 have enough handicaps as it is.

10 MR. HUGHES: I am sure if you go
11 there you will hear about this without any
12 prompting from what I may say here but it is pointed
13 out to us regularly that "The book is available
14 in Seattle, why should we buy it from Toronto?"
15 The sheer geographic peculiarities of this country
16 and the demographic peculiarities are such --

17 THE CHAIRMAN: Not to be confused
18 with the democratic peculiarities.

19 MR. CAMP: Get closer to home, to
20 Ontario.

21 MR. MATHESON: I would like to add
22 at this point that there are a number of library
23 systems who have conscientiously attempted to support
24 Canadian-based publishers and we appreciate their
25 efforts in this direction.

26 DR. JEANNERET: There is much good-
27 will shown by the OLA.

28 MR. MATHESON: Yes, very much so.
29 I would suggest without the actual facts that we
30 receive our greatest support from library systems



1 located in Ontario.

2 MR. CAMP: What percentage would
3 that be of the total?

4 MR. HUGHES: Ontario, generally,
5 is considered to be about 40 or 45 per cent of the
6 total but across the country we are talking
7 primarily about educational libraries although
8 the public library systems in the Maritimes, for
9 example, have gone in a different direction.

10 DR. JEANNERET: I did not want to leave
11 this library purchasing question too quickly because
12 it is of such great importance but moving along,
13 on page 37, you make a reference and just for the
14 record perhaps you could expand on it. You refer
15 to the discount that pertains for various classes
16 of books within Canada. Would you just summarize
17 those discounts so that we have them before us,
18 please? I think they are quite obvious.

19 MR. HUGHES: Well, typically there
20 are two classes of book, short discount and long
21 discount. At 50 paces you can tell them apart
22 because the long discount book has a paper jacket,
23 that is an over-simplification but it is a fairly
24 good rule. A short discount book in Ontario or
25 in educational systems generally is sold at 20 per
26 cent less than list price. In certain large
27 provincial book buying institutions where they buy
28 books by the carload this discount may be increased
29 slightly, maybe as high as 25 per cent. The
30 trade discount book is sold at -- I can only quote



1 from my own firm -- but 35 per cent to **libraries**,
2 to book stores in reasonable quantities, 40 per cent,
3 to jobbers, 46 per cent, approximately. Now, all
4 of these figures are private arrangements between
5 the publisher and the buyer and I would not attempt
6 to say what any other firm is doing, I am only
7 speaking for my own firm.

8 DR. JEANNERET: Speaking of
9 discounts to jobbers there is no clear pattern, is
10 that fair? Or, at least, there is no uniformity.

11 MR. HUGHES: That is generally so
12 but I think usually libraries would be no higher
13 than 36 per cent and jobbers would be no lower than
14 42 per cent, if I could generalize.

15 DR. JEANNERET: Thank you, Mr. Hughes.
16 On page 50 you begin by referring to the diversion
17 of large segments of school budgets from the
18 purchase of books to the purchase of the new non-
19 print materials. In this connection I wonder if you
20 would comment on the position of the Council in
21 relation to the status of Circular 14 and also
22 to explain the relation of Circular 14 to non-
23 print materials generally? I would be glad if you
24 would go on and this could be a sort of blanket
25 question, and would you comment on the integration
26 of book budgets with the per capita grants that
27 occurred in 1968, I think it was? If you would
28 discuss Circular 14 in the context of these points,
29 I will review it a different way: I gather that
30 there are three or four very large problems created

for the publisher of educational materials, there probably are many others. One is the rise of non-print media, secondly the integration of grants to which I have just referred and, thirdly, the vast increase in number of titles in Circular 14 in very recent times and, fourthly, has perhaps been some lessening of the restrictive nature of Circular 14.



1 That may be a little too long.

2 MR. HUGHES: I will ask my colleagues
3 to come in on parts on this. The Department of
4 Education is in the process, I am told, and
5 in fact there has been a formal announcement,
6 of producing a second circular to be known as
7 Circular 15, which will list certain material
8 that previously did not qualify for Circular 14,
9 which which are nevertheless, Canadian in origin.
10 There is some prospect of a change taking place
11 there. Circular 14, for example, never listed
12 books in English literature, except for readers.
13 Short works of literature and novels and the like
14 have never been listed on Circular 14 and
15 anthologies and that sort of thing.

16 As to the diversion of money, may
17 I first place on the record quoting from the head
18 of the television authority, educational television
19 authority, a speech made about two years ago
20 that they have projected their expenditure,
21 education money this is, through the educational
22 authority or through the provincial government
23 authority, to approximately \$70 million by
24 1975. I don't know where it is on that scale
25 now, but it is very large. When we think that
26 the school book buying has been in the area of
27 \$15 million for texts or maybe \$25 million for
28 all books, you can see that television by itself
29 is running away with a good deal of money. I
30 have nothing against television, nor does the



1 Council, except we are conscious of the fact that
2 children are using books every day and I am not
3 sure they are using television every day. It
4 depends on what the result is, I suppose, whether
5 this is money well spent. I don't think I should
6 make any comment on that.

7 Certainly there has been a good
8 deal of interest in other materials and publishers
9 have been very much involved in supporting their
10 print media with such things as overhead projectuals,
11 tapes, film strips, records, cinematic film,
12 et cetera, mostly as the support of print media
13 because publishers, by their very nature, are
14 print media specialists and they tend to look
15 on that as the centre. One of the problems
16 arises here that many of these non-print media
17 are purchased only one to a school, or two or
18 three to a school, and if it is for a high school,
19 for example, you will recall there are only
20 about 2000 high schools in Canada and this means
21 you must project your costs on very, very small
22 quantities. This is one of the reasons the
23 publisher tends to back away from this field.
24 He is not an expert in it and it is certainly
25 a reason why up-to-date, there has been minimum
26 participation by Canadian publishers in this
27 area.

28 As to the diversion, or at least
29 the lumping of grants, there is no question but
30 what this has had a negative effect on the purchase



1 of books. Again, we are not in business to sell
2 books that are not needed or wanted, but we know
3 that there are certain fixed expenses the Board
4 must meet, such things as debenture payments,
5 teachers' salaries, general running expenses of
6 the school. These have been going up. At the
7 same time, even when the specific grant was
8 there, it was exactly the same level as it was
9 in the first set-up in the early fifties. It
10 has become the cushion. We have many examples
11 of this money being reduced and perhaps it will
12 bring the bulk of reduction in tax that was
13 announced this morning, but as often as not,
14 it will be used to cover for increased costs
15 elsewhere. There is no exception and the publisher
16 is in serious trouble engaged in high school
17 publishing, which began in 1969, even though
18 there is a marked change on the graph.

19 DR. JEANNERET: I think that is
20 very helpful. Moving on to another topic, and
21 not dwelling on it because I understand the
22 Clery Report -- would you comment just why it
23 is the publisher's cooperation is just so
24 absolutely miserable? I refer to the
25 statistics included in the report itself, which
26 you included as an appendix. You know the
27 figures. There is no need for my saying them.

28 MR. HUGHES: I am going to ask
29 Mr. Roht to speak on that.

30 MR. ROHT: I think that part of the



1 reason is that much of the study was conducted at
2 a time when the publishers were not around, but
3 also some of it must be attributed to the fact
4 that many publishers, book sellers, librarians,
5 did not perhaps consider the report or the study
6 an important one. I am really only conjecturing
7 because we have no findings or no concrete statements
8 to make on why Mr. Clery received ---

9 DR. JEANNERET: You offered in
10 a submission to us to make available to us the
11 Council's evaluation of the report, and I might
12 ask you to do that.

13 MR. HUGHES: Dr. Jeanneret, if
14 I may comment on this from the standpoint of an
15 individual publisher, I must say this is an
16 on-going problem. We sent a question from the
17 Council office of the 42 members, we are lucky
18 if we get 20 back in the first week. We can't
19 go out and cudgel these people to take up their
20 responsibilities. We can certainly twist
21 their arms, as I mentioned before, but to
22 take my own example again, a publisher's office
23 is necessarily tight for manpower because of the
24 kinds of budgets under which we operate, and if
25 you get a first-rate questionnaire -- I think
26 back to the Ernst and Ernst questionnaire and
27 the Clery questionnaire.- part of the problem,
28 I am sure, was the fact that these two things
29 hit the publishers at the same time and the
30 Ernst and Ernst questionnaire was estimated by



1 one publisher to take two weeks of two men's time.
2 Now, the Clery questionnaire was nothing like
3 this, as complex as that, but I know that in an
4 office where your manpower is tight, to have one
5 person take one day, two days a weeks, or something,
6 and occasionally attempt to dig out statistics
7 from simply yards of paper, is not easy and,
8 since sometimes it has not got a deadline on it,
9 it is put over to one side and it may be done
10 later. I am not excusing publishers for this,
11 but it is difficult since everyone has a different
12 system of producing his information. Some people
13 can touch a button and get it on a computer, if
14 you are large enough, and if you are middle-size,
15 you may not have that kind of facility, and you
16 don't put the manpower on it. That is not an
17 excuse. I was critical of this kind of response
18 as anyone. On the other hand, those two
19 questionnaires did hit at the same time and I
20 know that the one really was an imposing job.

21 DR. JEANNERET: There was an
22 accomplishment of the Council, I do notice for
23 the record, I noticed that C.B.P.C. members,
24 15 returned questionnaires and 13 were no reply.
25 Among the independent publishers, four returned
26 questionnaires and 16 no reply. It wasn't
27 peculiar to the Council but it was peculiar
28 to publishing as compared to other areas that
29 were investigated.

30 One other question I would like



1 to open up as far as you are willing to discuss
2 it at this time, is your status as publishers
3 in the Province of Quebec, (a) in English and (b)
4 in French, whether or not you are operating under
5 any particular restrictions regulatory or policy,
6 of a policy nature or otherwise and, if you wish
7 to comment on the operation of Quebec publishers
8 in Ontario, feel free to do so.

9 MR. MATHESON: This is a very
10 difficult question to discuss, Dr. Jeanneret.
11 I think that as a Council we welcome individual
12 efforts of any French-Canadian publishers who
13 market their goods in this province. There have
14 been unconfirmed reports that possible restrictions
15 either do not exist or will exist in the Province
16 of Quebec, relating to any publisher located
17 outside of the Province of Quebec.

18 DR. JEANNERET: Head office.

19 MR. MATHESON: Right. To my
20 personal knowledge these reports have been confirmed
21 and I would feel less than secure in discussing
22 them.

23 Toivo, do you have any more
24 specific information?

25 MR. ROHT: I have also heard
26 unconfirmed reports, reports that legislation
27 is imminent that the Quebec government will,
28 for instance, licence book sellers to ensure
29 that all institutional purchases come from
30 Quebec book sellers. This would mean that the



1 publishers operating in Quebec would have to sell
2 directly to these licensed houses and the others
3 would not receive the kind of free competitive
4 basis that Ontario has, for instance.

5 DR. JEANNERET: This would be
6 a kind of imposition of an agreement by legislation?

7 MR. ROHT: I understand it is
8 something similar to that, but again the reports
9 I have had have stated that when the Premier of
10 Quebec will return from his trip overseas, he
11 will make a statement on this matter.

12 DR. JEANNERET: I think you might
13 like to discuss this question further in other
14 ways with the Council. You alluded to the
15 contribution and the accomplishments of the
16 Province of Ontario Council for the Arts in the
17 field of book publishing. Would you like to
18 comment further on that? Do you feel they have
19 discovered book publishing? Do you feel they
20 should have, or whether it was outside their
21 terms of reference, or if this is a mixed area
22 of activity for them?

23 MR. HUGHES: I think, getting back
24 to Quebec for a second, I understand the Province
25 of Quebec, I suppose through its Department of
26 Cultural Affairs, has signed cultural agreements
27 with a number of areas including some 20 States
28 and that as a result Quebec publishers are
29 selling to these States a number of their
30 publications, Quebec publishers have problems that,



1 in terms of numbers that make ours look puny.

2 They are working on a population of some 4 million
3 and they seem to write off the French-language
4 populations of New Brunswick, Manitoba, Alberta,
5 et cetera, and perhaps Ontario too. They do
6 run a very tight ship and the kind of thing
7 that worries us about intervention of foreign
8 publishers is simply not allowed to exist.

9 We saw an example of it in what happened in the Centre
10 de l'Education a Culturel company which the
11 Quebec government purchased, or purchased a 50
12 per cent interest in.

13 The Cultural Affairs Department
14 of the Province of Quebec, supplies a grant or
15 gives a grant or a parallel organization. I
16 think it is in the nature of \$15,000 or \$20,000
17 per annum to assist with the operation of that
18 organization. By comparison there has been
19 a singular -- I am sorry if I sound bitter
20 about this -- a singular disinterest outside of
21 the Department of Education and the Department
22 of University Affairs -- a singular disinterest
23 on the part of Ontario until the last 3 or 4
24 months and anything in book publishing, even
25 though 80 or 90 per cent of English book publishing
26 is located in this province. I personally
27 talked with the Director of the Council for
28 the Arts and found that they were immensely
29 interested in the performing arts, in certain
30 other very worthy aspects, but for them, books are



1 as a cultural medium, apparently not within the
2 terms of reference. I have never seen the
3 terms of reference.
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1 The Terms of Reference I have never seen but I feel
2 that there is great scope here. I was shocked to
3 discover that in this new Ontario Place no attention
4 is being paid to books. I feel that this is one
5 of the industries of which Ontario should be
6 proud and that a permanent display of books should
7 be there, it should be in the Ontario Science Centre,
8 probably in the Art Gallery, probably at the Museum.
9 I am not thinking of the commercial value of this,
10 I am thinking of the prestige value for Ontario.
11 This is not something for the publishers, it is
12 something for Ontario. I think we might be proud
13 of this type of thing.

14 I am also concerned at what appears
15 to be a rather stepping up of the Queen's Printer
16 function in this province with a book store in
17 operation now for something over a year or two.
18 Granted the material which is produced is mostly
19 of give-away material or of the formal document
20 type of thing, but it still represents to me a
21 complete denial of the fact that there are professional
22 publishers and where the publishing organizations
23 could do a better job of guide books, who could
24 do many things which would serve this problem well
25 and, again, I emphasize I am not talking from a
26 publisher's viewpoint: I think Ontario has missed
27 an opportunity there.

28 THE CHAIRMAN: I wonder if the
29 Council, in its wisdom, has drawn to the attention
30 of the Ontario Government that if they are going to have



1 to publicize the Ontario Place there ought to be
2 a book on that subject.

3 MR. ROHT: If I might speak on that
4 subject, yes, we have drawn this point to the
5 attention of the Ontario Place management and they
6 have advised us that there are four very small
7 boutiques which will be primarily devoted to
8 native crafts and will be involved in actual selling
9 of these crafts. If any books will be displayed
10 they will be of the kind that will help primarily
11 the American tourist -- guide books to Ontario parks,
12 recreation areas and so on. We tried but we were
13 not able to get anywhere with this idea.

14 MR. HUGHES: We can only bring your
15 attention to a number of things we have seen come
16 into full flower this year. It does seem to me
17 that the Queen's Printer has been giving away
18 a great deal of material of grade B nature
19 sometimes that could be better done if there
20 were encouragement to private publishers and
21 certainly this Council stands ready to mount
22 displays, non-commercial displays if you will,
23 that would call attention to the kind of books
24 about Ontario, by Ontario authors or, in the
25 larger context, those of Canada.

26 MR. CAMP: You say that most
27 publishers with the possible exception of university
28 presses and the like publish to make a profit
29 about which no one would want to argue and you
30 say this in the context of discussing Canadian



1 authorship and you make the point that with regard
2 to certain kinds of Canadian publishing, Canadian
3 authorship, poetry, fiction and belles lettres
4 that it is likely to require some form of
5 subsidization to succeed. There are forms of that.

6 Now, if you are trying to maintain
7 a Canadian publishing industry, it seems almost
8 everything it has to do in order to be maintained,
9 to be regarded as one of those things, there

10 always seems to be a loss leader principle
11 involved. Then you get on to children's books which
12 is something I have some interest in for the first
13 time. As a matter of fact, it has been raised
14 before. I am looking for a less general observation,
15 perhaps a more definitive observation and I am
16 also looking for a better understanding of the
17 problem. This is on page 39. Your delineation of
18 the problem is quite lucid; your recommendation
19 is less than specific.

20 First of all, for my benefit, could
21 you define what a children's book is?

22 MR. HUGHES: I will define what
23 two or three children's books are. There is the
24 specific textbook type of thing which may be
25 informational and which we will leave off to one
26 side for the moment. Then, there is the mass
27 market children's book of the kind that you see
28 in the supermarkets or the variety store and there
29 is the quality original children's book. The
30 mass market children's book is something like the



1 mass market paperback: It depends on printing
2 not in thousands or tens of thousands but in
3 50,000, 100,000 or 150,000. It depends on
4 a rather inflexible marketing system where the
5 books are handled through jobbers and specifically
6 designed for this kind of thing. The books are
7 usually flimsy but bound in a showy plastic type
8 of appearance. They can afford because of the
9 great numbers and rather few pages in most of these
10 books to have copious coloured illustrations and
11 that sort of thing. I can't think of any way that
12 that mass market in children's books can be done
13 in Canada successfully under the present context.

14 MR. CAMP: Yes, you make the point
15 that Canadian children grow up on a diet of
16 British and American -- chiefly American -- books?

17 MR. HUGHES: Yes, and chiefly
18 American because the American books are more showy.
19 Printing has done an excellent job at mass
20 marketing children's books but the subjects are
21 such that robins have very red breasts and there are
22 hedge-hogs in and out of the stories and so on.
23 They are of the bottom of the garden sort of
24 thing. One place Canada can, and has not
25 really succeeded I think, and that is in the original
26 children's book. This is partly because the market
27 is -- well, the children's librarian reads the
28 Wilson's children's list and she comes to the
29 Canadian books last or she reads one of the ten
30 lists that she gets and I don't blame her. Secondly, from a



1 publisher's standpoint there is the huge cost of
2 illustrations. If you do the illustrations in
3 the one colour, unless it is the Dick and Jane
4 type of thing it is not going to be very attractive
5 and colour, of course, depends on long runs.
6 There are no important children's book authors
7 in this country.

8 We know there are many people writing
9 children's books and every publisher has a lot
10 of manuscripts done by little old lady stories
11 which she told to her niece that they liked and
12 then a friend illustrated them not knowing anything
13 of the strictures of the commercial reproduction
14 of art and unfortunately these things are not
15 of a quality in most cases --

16 MR. CAMP: It is not a problem that
17 could be resolved merely by the provision of
18 working capital?

19 MR. HUGHES: No, I do think there
20 are many capable people in this country who are
21 not sufficiently encouraged, I mean the prospect
22 of selling 1,500 books is not going to excite any
23 author but I do think that a distinguished prize
24 might, a prize which is worth something. I think
25 of one example, the W.J. Gage Company who, a
26 few years ago, offered to buy stories from a
27 number or at least as many Canadian authors as
28 they could. In fact, I think they advertised in
29 the newspapers at the time of a plan to bring out
30 an annual of children's stories collected from



1 the best of these many submissions and I understand
2 the submissions were copious and they did it for
3 about four years and then they gave up because having
4 done it the market support was just insufficient.

5 I have no idea how many they sold
6 but I do know that the project was abandoned.

7 I can think of other people -- and I have myself -- who
8 made forays into this field of doing a book for
9 children. The first year you are looking to sell
10 300 or 400 in most cases, especially a new author.
11 Ten years ago a little book called, Peter the Sea
12 Trout, a bright little manuscript done by a man
13 who is capable, and I think it took three years
14 to sell 1,000 copies of that book. If you look at
15 a Canadian list today --

16 MR. CAMP: They were selling
17 through book stores?

18 MR. HUGHES: Yes, book stores,
19 schools, libraries.

20 MR. CAMP: Supermarkets would not
21 be handling children's books with a turnover of
22 300 or 400.

23 MR. HUGHES: Just mass market,
24 they are not interested in the 40 per cent discount
25 for a start.

26 DR. JEANNERET: It is a different
27 price format.

28 MR. HUGHES: Yes, your Dominion Store
29 manager takes a package deal.

30 MR. CAMP: This is a jobber sale?



1 MR. HUGHES: That is right, but
2 in the case of the book I mentioned it got off to
3 a very disappointing start.

4 Now, if we look at any list of good
5 Canadian children's books you will find that they
6 are 15 years old and no publisher can keep it
7 in stock that long and wait for a good thing
8 to come.

9 MR. CAMP: So, what you are saying
10 is, that the publishing of children's books in
11 Canada is really an economic impossibility,
12 it is the most difficult in all the areas of
13 publishing and with the least profit and the least
14 potential?

15 MR. HUGHES: I would think it is
16 a question of creating some incitement and I
17 do not even believe that this could be done but
18 it has been done.

19 MR. ROHT: I would think the market
20 would have great potential but it probably would
21 require a great familiarity with the book from the
22 mother's knee right through the school years.
23 Perhaps in that way a substantial market could be
24 developed.

25 DR. JEANNERET: I think it is worth
26 recognizing that it is being done in a limited way
27 right now, both within and without the Council.
28 Various things have been done by publishers in
29 Toronto, Hunter books and things like that.

30 MR. HUGHES: Where the book can be

1 sold elsewhere it makes it more possible. It has
2 been brought to me by almost every publisher of
3 any circumstance that I can think of that to get
4 into this field you publish three or four books
5 and then you look at your experience and pull away
6 for a while and then once again get your courage
7 up and try it again but it has been discouraging
8 and I think it needs more co-operation, not just
9 from one publisher but it needs maybe the Council
10 or maybe other kinds of support for this kind of
11 thing.

12 DR. JEANNERET: The Governor General's
13 award for children's books disappeared, I understand,
14 about 15 years ago?

15 MR. HUGHES: I can understand that.

16 MR. CAMP: We had some expert
17 testimony yesterday, Mr. Matheson was here, I think,
18 from ~~some~~ students in grade 8 as to the success of
19 their own school library. At least in their judgment
20 they complained about the lack of Canadian content
21 and what was available to them and in our concern
22 for the publishing industry in Canada, one should
23 not be too concerned about it if it cannot serve
24 all of the Canadian market adequately. If the
25 only means by which it can be done apparently is
26 ~~that~~ any time you get a Canadian publisher
27 requirement you get immediately to a subsidy or
28 some special incentive, in this area it would
29 seem to me that a good deal more is required than
30 is now available, which is next to nothing.



1 MR. HUGHES: I think that if we
2 achieve anything like national status
3 it might work. One of the very difficult things,
4 in my early days of publishing I carried Canadian
5 children's books around to librarians and the
6 interest was very minimal because they were
7 depending on the professional prepared lists, most
8 of them prepared in the United States and they
9 said, "We buy from this list"



1 MR. CAMP: Such as on page 34?

2 MR. HUGHES: Right.

3 THE CHAIRMAN: I get the impression,
4 and you might comment on this and tell me whether
5 my impression is right, wrong, distorted or
6 partly correct. From what I have heard so far,
7 not only in your brief but in the other briefs
8 that have been presented, books from the United
9 States really have a total access virtually
10 unimpeded, except for duty, to the Canadian
11 market, whereas, on the other hand, Canadian
12 books have a very limited access, for whatever
13 reason, to the United States market. Could you
14 comment on that whether my little observation
15 has any validity?

16 MR. MATHESON: I would like to
17 comment, Mr. Chairman. I think it is a generalization
18 that worries me because I think it depends upon ---

19 THE CHAIRMAN: It is a question
20 that worries me.

21 MR. MATHESON: If one were to
22 answer the question generally, it would be yes.
23 On the other hand, there are specific firms
24 who, because of their relationships and because
25 of their marketing channels, do have relatively
26 good access to the American market, and they will
27 aggressively market their Canadian-produced books
28 in the United States and in other parts of the
29 world, but that probably relates to an individual
30 firm as opposed to an over-generalization of all



1 books published in Canada. I may suggest that
2 Dr. Jeanneret's own firm is particularly successful
3 in marketing in the United States because they
4 have taken the trouble to establish marketing
5 channels. Some of our members have and some of
6 our members have not.

7 THE CHAIRMAN: With regard to the
8 access, if you will, could you comment, please,
9 on whether you consider from the Council's point
10 of view that the existence of the manufacturing
11 clause in the copyright law of the United States
12 is in terms of Canadian interests equitable or
13 inequitable in your opinion?

14 MR. HUGHES: I see no question
15 in saying it is completely inequitable. It is
16 a peculiarity of the world, I think. The
17 manufacturing clause does not prevent the export
18 of books by Canadian authors because it does not
19 apply to Canadian authors unless they are
20 American citizens. It does put up a fence and
21 in recent months particularly the U.S. Customs
22 has been directed from Washington to take a
23 very rigorous view of what is going through
24 to the extent that many shipments have been
25 held in bond pending determination of where
26 the author was born, of which country he is
27 now a citizen, and sometimes if the author has
28 not been around for a while, it is difficult.

29 I think that part of this also
30 depends on making a completely satisfactory product



1 here. I can think of one firm in Canada which
2 had an amazing success in textbooks in the United
3 States here in an American textbook house
4 not their own. The subsidiary in Canada is
5 in probably a better position in this area.

6 THE CHAIRMAN: May I ask you this:
7 Would your Council consider that if this American
8 rule is inequitable that some steps should be
9 taken by Canada or by Canadian interests either
10 to have the rule removed or, in the alternative,
11 to constitute a rule in this country which would
12 be relatively reciprocal and if you think there
13 might be reciprocity, in what way it might exist?

14 MR. HUGHES: First of all, may
15 I say that the Council together with the Canadian
16 Copyright Institute, has worked hard and long
17 to have Canada removed from the effect of the
18 manufacturing clause, and that such an undertaking
19 has been given and is implicit in the Copyright
20 Bill which died in the previous Congress and
21 is one which is not sitting under the sponsorship
22 of Senator McClelland before the Congress in the
23 United States. Until the Congress passes this
24 new Copyright law, and it is largely held up
25 in entanglement of cable television and other
26 performing rights which have no relation to
27 print media. Until that law is passed, we will
28 not have that exemption. I must point out
29 that this has been done by such organizations
30 as the Manufacturers' Institute which has considerable



1 interest in the Canadian Book Publishers' Council,
2 the Canadian Copyright Institute. The government
3 has taken -- I suppose I can say it has kept
4 a low profile. They have really done nothing
5 and exerted no pressure. We knuckled under
6 to them, I suppose. We achieved our goal but
7 we must have the act passed in the United States.
8 The problem is that is not vote attractive and
9 will not be passed until some time when the
10 going is easy.

11 THE CHAIRMAN: Bearing in mind
12 that this Commission should make any recommendations
13 on this point, it has no authority to make any
14 recommendations to the Congress of the United
15 States, do you consider, or does your Council
16 consider that some sort of action can be taken
17 internally in Canada, either from a federal
18 level or a provincial level, which will provide
19 some protection to Canada's interests; an interest
20 which is comparable to that which the Americans
21 provide to their local interests, or has that
22 kind of question ever been considered by your
23 Council?

24 MR. HUGHES: We didn't consider
25 it within our Council. It is a measure that is
26 so massive. I consider it personally retrogressive.
27 I have many times thought of a Canadian
28 manufacturing law of a similar kind and have
29 rejected it.

30 THE CHAIRMAN: This is going to be



1 a tough question, because of the way it is worded,
2 it is going to be tough: Is it retrogressive
3 from the Council's point of view, or certain
4 members of the Council, because it may impinge
5 upon its relationship with certain parent companies
6 of members of the Council?

7 MR. HUGHES: I have to say that
8 the Council would act the way the majority would
9 say it would act and fewer than half of the
10 majority, or at least half of the total membership
11 are subsidiary companies of the kind that you
12 mentioned. Therefore, I don't know how they
13 would vote, I really don't. We have not
14 originated any suggestion in this regard and
15 why I use the word "retrogressive" primarily is
16 the world situation where the general pattern
17 has been easy flow of materials, rather than
18 to ease the flow of materials.

19 THE CHAIRMAN: But the question
20 is based in my mind on the fact that why should
21 Canada have to bear the whole burden of this
22 kind of position vis-a-vis its relationship
23 with the United States? If the United States
24 is capable in its legislative wisdom of protecting
25 its own interest and its people, why should we --
26 and I will use the word "shrink" from this
27 standing up and saying "If this is the name of
28 the ballgame, two can play". I just raise
29 the question. I obviously have no preconceived
30 conclusions on the point, but I am wondering what



1 the attitude of your Council was to this --
2 you indicate you have not considered it. Would
3 your Council consider this kind of question in
4 the future so that we might be advised of its
5 attitude?

6 MR. ROHT: I think it might be
7 interesting to look at the point from a different
8 viewpoint, or look at it from the back door, if
9 you wish, because the American publishers have
10 given their assent to getting their manufacturing
11 clause removed. As Mr. Hughes said, it is being
12 held up because the Congress wants to go through
13 the total bill.

14 THE CHAIRMAN: So if they have
15 given their assent to it insofar as parent companies
16 are concerned, what you are saying is that
17 in order to see this clause removed or to help
18 it along, if that was one of the reasons that
19 some legislation might be enacted in this country,
20 that they would not have any objection to it?
21 Would you go that far?

22 MR. ROHT: I would agree with
23 Mr. Hughes that this would be retrogressive as
24 a step and, as we say in our brief, all possible
25 pressure should be borne upon removing it.

26 THE CHAIRMAN: You say "illegitimate
27 pressure". I would like to know what you consider
28 "illegitimate pressure". The word that you
29 used in the brief, and I often wondered what
30 "illegitimate pressure" could be?



1 MR. HUGHES: Influence peddlers
2 offer us the most, but, Mr. Chairman, I would like
3 to make this comment: If you were appointed
4 as a Commission to come out as recommending
5 the Canadian manufacturing clause, surely it
6 would amount in the long-run to sabre rattling,
7 but maybe sabre rattling is necessary. I say
8 that because I suggest ---

9 THE CHAIRMAN: Sabre rattling
10 is almost exclusively the jurisdiction of the
11 United States (laughter).

12 MR. HUGHES: I say that because
13 I think you would be subject to so much pressure
14 from Canadian sources and not publishers, but the
15 public, that they -- a manufacturing clause
16 of that kind would be almost unworkable and
17 therefore would have little likelihood of
18 becoming legislation. I would hate to see
19 the Royal Commission on Publishing put in the
20 position of expressing or giving their weight
21 to something which could then not be followed
22 through.

23 THE CHAIRMAN: We would not want
24 to be party to any kind of consideration of
25 that nature. On the other hand, I think we
26 would be remiss in our duties and obligations
27 if we did not effectively consider the questions
28 we are now discussing in order that we might
29 assess them and either describe them as being
30



1 invalid in the way you suggest or in the
2 alternative, doing something about them. We are
3 in the very preliminary stage and one of the
4 happy things about a matter of this kind is we
5 can ask these questions without in any way
6 pointing a direction.

7 MR. MATHESON: May I comment?

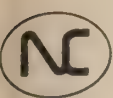
8 THE CHAIRMAN: Yes.

9 MR. MATHESON: I think the Canadian
10 Book Publishers' Council has clearly gone on
11 record as opposing the U.S. Manufacturing Clause.
12 Similarly, the equivalent American book publishing
13 group has also clearly recorded their rejection
14 of the clause. As a Council we disapprove,
15 as publishers we disapprove of this clause. I
16 suspect the clause has been instituted primarily
17 as a protective device on behalf of the book
18 manufacturing industry. Such a clause ---

19 MR. HUGHES: I might interject
20 there. Even the Book Manufacturing Institute of
21 the United States has gone on record as being
22 in favour of removing Canada from that.

23 THE CHAIRMAN: By the time we
24 get through writing our report the Congress of
25 the United States will, in the full amplitude
26 of its wisdom, will have turned on and that clause
27 will be withdrawn, hopefully.

28 We are running out of time and
29 I have one or two other points I would like to
30 question you about.



1 On page 13 of the brief you
2 talk about it being invaluable to publishers
3 and their clients alike -- something at this
4 time would be industry standardization.
5 I notice in the Clery report it was called
6 for complete standardization. If standardization
7 is a valid goal within the publishing industry
8 in Canada, and it certainly appears to be,
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1 can you tell me please what steps your Council
2 has taken to get on with the implementation of
3 the recommendation that there be work done on
4 standardization?

5 MR. HUGHES: I will start it off
6 here and I am sure Mr. Roht will have something
7 to add.

8 We start with the standard
9 book company --

10 THE CHAIRMAN: I don't mean that.
11 I know what the standards are for standardization
12 basically. I am asking what steps you have taken
13 to implement the Clery recommendation. Have
14 you got people together around the same table
15 talking about standardization, has your Council met
16 with others, what have you done? Have you called
17 a conference and have you done anything to implement
18 this recommendation? I know what the problem is.

19 MR. HUGHES: The recommendations have
20 been out for ten months. We have been requested by
21 the Council from the editorial promotion people
22 who have their own organization. This has been
23 received within the past two weeks. It is certainly
24 the intention of our professional development
25 committee which is a standing committee of the
26 Council to proceed with this.

27 In addition, you heard yesterday
28 from the Ontario Library Association of the steps
29 taken by the Publisher Library Committee to
30 standardize order forms, invoices and various



1 mechanisms of the book.

2 THE CHAIRMAN: They said they had
3 a committee which was meeting with your
4 organization, it is inter-facing. They didn't
5 use the word but I will.

6 I would like to know what you are
7 doing in this regard and what your program is.

8 MR. HUGHES: We have developed a
9 standard order form, we have developed a standard
10 invoice, we have put as much pressure as we can on
11 our people to use these. We have every intention --
12 I mentioned a while ago about the standardization
13 of the catalogue and many of our members have
14 moved towards the standardization and we have
15 set up through this committee's recommendation, those
16 standards of reporting on no Canadian rights,
17 reporting on various other aspects of the catalogue
18 which are of import to the purchaser. We have
19 not moved in this area of promotion which
20 Mr. Clery quite correctly has brought out.
21 It is a serious charge as far as we are concerned
22 and I can assure you that through our professional
23 development group we will be doing more on this
24 both in terms of education and in terms of trying
25 to standardize our methods.

26 THE CHAIRMAN: But you do have a
27 program which you are following through on this
28 matter for standardization purposes?

29 MR. MATHESON: I should add also,
30 Mr. Chairman, that various book production managers,



1 the manufacturing people, are also meeting with
2 paper manufacturers and book manufacturers in an
3 attempt to establish basic design standardizations.

4 THE CHAIRMAN: I would be obliged
5 if Mr. Roht from time to time could keep us
6 informed in memorandum fashion on the progress
7 you are making and inform us if there is any
8 assistance that we might give in bringing parties
9 together to assist in standards that are used
10 and practices.

11 May I move on to another question?
12 Mention was made of the educational television set-
13 up in the province and a budget of something like
14 \$70 million.

15 MR. HUGHES: This is a projected
16 budget for 1975.

17 THE CHAIRMAN: We have heard something
18 of Canadian books being reviewed and promoted and
19 things of this kind. Has your Council approached
20 ETV with a view to determining whether they might
21 be prepared to work with you in carrying programs
22 on their channel on a weekly or other basis on
23 which books are reviewed with their authors,
24 Canadian books that is, or have you done anything
25 in this regard to attempt to work with ETV?

26 MR. ROHT: The Council officially
27 has not approached ETV but several individuals
28 have done so. I understand that there are programs
29 that have been already made and some are projected.

30 THE CHAIRMAN: Would it be within the



1 role or function of the Council to make such an
2 approach, representing a broad base of the
3 industry?

4 MR. HUGHES: Another aspect of this
5 too, is the cable programming which we are also
6 concerned with and book reviews have started on
7 this channel 10 operation here in Toronto.

8 THE CHAIRMAN: On page 48 there
9 was some reference to liaison with the Department
10 of Education saying that certain things could be
11 done in advance with the department and having
12 to do with finding out what it is they are going
13 to be doing, and so forth.

14 Would you tell me, please, what
15 kind of approgram you have as a Council in putting
16 forward these proposals to the Department of
17 Education and what reaction you are getting, if
18 any?

19 MR. HUGHES: This has been a long-
20 term project, one of the former arms of the
21 Canadian Book Publishers' Council namely the
22 Canadian Book Publishers' Institute. For some
23 time we had an annual session with the curriculum
24 branch which is the operative branch as far as
25 we are concerned of the Department of Education.
26 No such meeting has taken place for at least two
27 years that I can think of, I think probably three
28 years.

29 We have made all the appropriate
30 noises and have been promised that such will take



1 place but it is not within our prerogative to call
2 a meeting and, therefore, it has not happened.

3 I might add, however, that in the
4 interval we have had some meetings with other
5 Departments of Education, most notably the
6 Department of Education of Alberta where we had a
7 most profitable professional day of exchanging
8 information back and forth. We think that in
9 Ontario the Department of Education would be the
10 winner in terms of better understanding of the
11 print media and its limitations and its
12 possibilities.

13 THE CHAIRMAN: I think we would
14 encourage you to make an approach again and
15 again to keep us informed of the progress that
16 you might make from this point. It would be
17 useful to know what progress you make.

18 On page 51 you talk to some extent
19 about the non-print material which is competitive
20 to the printed material and you say, on page 51:

21 " In Canada, most non-print
22 materials will continue to be imported
23 for the foreseeable future, usually
24 from the United States, unless the
25 Canadian manufacturer-distributor can
26 develop international markets for his
27 product."

28 I would ask you this: In the event
29 that in this kind of field the Canadian publishers
30 which are subsidiaries at the moment, if they were



1 to develop non-print material competitive to their
2 own materials in the United States first of all,
3 would that kind of development be undertaken and
4 if it were, would you consider that the parent
5 declare that line in the United States?

6 MR. HUGHES: I am aware of one of
7 our member companies that has done just that.
8 It has produced non-print material which has then
9 been marketed outside of the country. I think,
10 however, that in most cases where we develop
11 non-print material -- I use the words "economy of
12 scale". These things have a break-even point
13 that is quite often beyond the capacity of the
14 Canadian market to absorb. The kind of material
15 that we likely do here is not the kind that
16 would go into competition not only with our own
17 parent houses if we are a subsidiary, but also with
18 other imported materials.

19 If you go into direct competition
20 with American materials you are going to be over-
21 priced simply because you are putting your price
22 against 500 instead of 5,000 or 20,000 or whatever
23 and, therefore, you tend to do those things which
24 are specially needed in Canada and which are very
25 valuable for this country. For instance, something
26 to do with understanding the government of this
27 country which could not be imported, that is, I
28 am talking about civics courses and so on.

29 DR. JEANNERET: Jack-Daws.

30 MR. HUGHES: In those cases we want to



1 produce something which is filling a gap and I
2 think our media tends to fill the gap rather than
3 anything else because of the fact that if we
4 go into competition directly in general universal
5 areas, then we are apt to be over-priced.

6 THE CHAIRMAN: Why did the Canada
7 Council turn off your grant, do you know?

8 MR. NEWNHAM: The grant originally
9 came to an end when the former executive director
10 left our employ and in the meantime while we were
11 employing the present executive director the
12 grant was discontinued. We fully expected it to be
13 started again and we still expect it to be
14 started again.

15 MR. HUGHES: This has been a
16 considerable shock from my standpoint but I point
17 out that we were asked then to make a formal
18 request to have the grant renewed and the grant
19 was for \$15,000 per annum which was a direct
20 supplement to employ an executive director.

21 At the time that we made the formal
22 application it was simply the wrong time because
23 it was in the heat of the discussion of what the
24 Council was and was not and what a Canadian book
25 was or was not and it was not politically expedient
26 to do anything at that time I suppose.

27 In any case the Canada Council said,
28 "We will not refuse the grant but come back and show
29 us what you have done."

30 THE CHAIRMAN: I don't think the



1 Canada Council should be publicly given the attribution
2 that in their consideration it would or would not
3 be politically expedient.

4 MR. HUGHES: Well, I will withdraw
5 that remark.

6 DR. JEANNERET: One question.
7 We had a useful discussion about the channels
8 through which the libraries purchase, should purchase
9 or might purchase, in the future. You did not say
10 a single thing that I can remember about their
11 ability to purchase at all; in other words, library
12 grants. You must have some views on this subject,
13 whether or not ear-marked book grants are adequate
14 or even existent and at different levels and so on.
15 Could you put anything on the record on that
16 subject at all? If not specific well then, general,
17 and we can go into the specifics later.

18 MR. HUGHES: It is much easier to
19 talk about grants in the field of education because
20 they are province-wide in most cases. There are
21 good situations as far as library grants are
22 concerned in this country and there are very bad
23 situations.

24 DR. JEANNERET: Speak about Ontario.

25 MR. HUGHES: In Ontario it has been
26 many years since there has been a specific book
27 purchase grant. On the other hand we have not had
28 the feeling that the libraries were unduly restricted.
29 I personally felt that the situation was reasonably
30 in balance, perhaps in the last year or so.



1 THE CHAIRMAN: Are they in balance
2 with the educational need? I mean the school
3 libraries' relationship with the public libraries?

4 MR. HUGHES: I think they are ahead
5 in the public libraries and I think they are
6 considerably behind in school libraries, considerably.

7 MR. CAMP: There has been an
8 argument in the organization as to what a Canadian
9 book was. Did you ever resolve the argument?

10 MR. HUGHES: We have a definition
11 of a Canadian book which doesn't necessarily
12 satisfy everyone in the Canadian Books in Print
13 that is for inclusion in the Canadian Books in
14 Print. I think you could come up with 20 different
15 variants, each of them satisfactory to some people.
16 I have never seen one satisfactory to everyone.

17 MR. CAMP: You might give us the
18 definition that you arrived at?

19 THE CHAIRMAN: There are only 20
20 of them.

21 MR. HUGHES: Well, I will start it
22 and maybe Dr. Jeanneret can complete it, but a
23 book written by a Canadian author resident here or
24 elsewhere, published by a Canadian publisher, that
25 is without regard to ownership of the Canadian
26 publisher.

27 THE CHAIRMAN: Gentlemen, we have
28 enjoyed having you with us very much indeed. It
29 was a first-class brief and a very helpful exchange for
30 us. We may see you again, under other circumstances.



1 MR. HUGHES: Mr. Chairman, we
2 would certainly like to express our appreciation
3 first to the government in expressing the interest
4 in book publishing that has resulted in the
5 appointment of this Royal Commission and for your
6 courteous hearing of our brief.



1 I would like to take you up on
2 your suggestion that as further things develop
3 during your term of responsibility that you may
4 be sure we will pass that along to you. Thank
5 you.

6 MR. NEWNHAM: There is just a
7 very brief statement that has been on my mind
8 to make regarding the matter of having to do
9 with foreign ownership. I would like to say
10 through long experience in working for a Canadian
11 subsidiary of a foreign firm and through knowledge
12 of talking to heads of other British and American-
13 owned firms, that Canadian textbooks are produced
14 by these companies -- by our companies according
15 to the requirements of the educational authorities
16 without influence for editorial content from
17 American sources and they are produced by
18 Canadian authors, Canadian paper, Canadian printing
19 and many hundreds of thousands of dollars are
20 spent by these companies. I would like to make
21 this statement publicly in view of all the
22 publicity that we have heard from time to time.
23 Thank you very much.

24 THE CHAIRMAN: And you may hear
25 more of it before we are finished.

26 Thank you very much gentlemen.

27 We will take a five minute break.

28
29 ---Recess



SSUBMISSION OF MR. JOHN ROUTH

THE CHAIRMAN: We have with us now Mr. Routh. You are making a submission on your own behalf, I understand, and not representing any community college or other group. I wonder, sir, if you would be kind enough to touch on the high points of your brief that you would like to open on?

MR. ROUTH: Thank you, Mr. Chairman. The first thing I would like to draw to the attention of the Commission is an additional appendix, marked Appendix C, which I distributed this morning, which I think ---

THE CHAIRMAN: I wonder if the back of the hall -- if you wouldn't mind -- we can barely hear. We can hear you very well. Okay, I am sorry.

MR. ROUTH: I would like to draw the attention of the Commission to it in that it updates my Appendix A. My Appendix A is a survey of 11 colleges and 75 texts used in the field of marketing. My brief is specifically associated with the field of marketing. The Appendix C which I have appended this morning is a survey of 15 colleges, 88 texts and there are less Canadian texts in use this year than last year.

The main purpose of my brief is to draw attention to the fact that as an instructor



1 creating a viable business environment in the
2 field of marketing, our essential tool for
3 instructional purposes is the case history and
4 the case history is a simulation process of the
5 creative work environment to which the student
6 can relate in the real world. We cannot do
7 this with the present tools which we have
8 available. This is essentially the main purpose
9 of my brief.

10 I think that the other point I
11 have brought out has been brought out by other
12 briefs, to wit, the fact that textbooks associated
13 not just in the field of marketing, but in
14 other fields as well, are conspicuous by their
15 absence in Canadian content.

16 The other aspect is how do we
17 in the community colleges as instructors relate
18 to the publishing industry? One of the problems
19 in the four years in which I have been involved -
20 in the community college atmosphere has been
21 that Canadian publishers, and particularly our
22 Canadian publishers do not have the resources
23 to come round and talk to us as instructors
24 to get the necessary feed-back to find out
25 the adequacy of the texts. The surveys that
26 I have prepared, as you will see, because the
27 text is Canadian does not mean that it is necessarily
28 good. On the contrary, if you will notice, for
29 instance the first text on Brief A, Canadian
30 Marketing or Marketing in Canada by Archer &



1 Clark, since the instructor's preference and
2 choice of text is entirely at his discretion,
3 that text has been abandoned completely because
4 of its inadequacy.

5 The other purpose of my brief
6 is to draw the attention of the Commission
7 to the fact that authorship problems from the
8 standpoint of instructors writing their own
9 texts, there are many instructors available in
10 the market who would be prepared -- including
11 myself, be prepared to devote the time and
12 energy to preparing such texts, but so far the
13 interest that has been manifested calls for
14 a lot of resource, expenditure, personal time,
15 and most instructors do not have the financial
16 resources to undertake the necessary research.
17 Our school year is slightly shorter than the
18 high school, but not as short as the university,
19 so, in addition to having full teaching loads,
20 we are unable to devote the amount of time we
21 would like to the preparation of such texts.

22 The other point I wish to bring
23 across is this: it is the quality of the text
24 in terms of units, in terms of price, in terms
25 of reproduction standards. The text, a student
26 relates to a text quite often by its weight and
27 its price. Instructors are well aware of where
28 a text has been used for only one semester,
29 a 14-week semester -- I should point out not
30 all community colleges are constructed on a



1 semester basis, but where they are, such semesters
2 are of a 14-week duration. To spend
3 anything from \$12 to \$15 on a text which weighs
4 in excess of 3 to 4 pounds, printed on a very
5 highly-priced number one coated stock with
6 very fancy reproductions in it, the student, if
7 that text is American, then the student is going
8 to turn off. We have to turn him on. How do
9 we do it? One of the methods we have used
10 -- and I must confess it is an end which
11 justifies the means -- is to plagiarize
12 American case histories and Canadianize them
13 by substituting figures, substituting names
14 and so forth, but this in itself is the line of
15 least resistance. What we need -- we need
16 Canadian material and we need the support of the
17 business community.

18 In my own field of advertising,
19 as Mr. Camp is probably well aware, when it
20 comes to creating case histories in advertising,
21 there is nobody so reluctant to impart information
22 which would make a viable case history worthwhile
23 as the client for fear that such information
24 might do him competitive damage, or it might
25 be used against him, so to speak.

26 Now, I think I do not have any
27 more to add to my brief except my recommendations
28 and they are spelled out. Perhaps the
29 Commission would like to raise some questions with
30 me.



1 MR. CAMP: Did you compile these
2 tables yourself, is this your own labour of love?

3 MR. ROUTH: It is a combination
4 of all the instructors in the 15 colleges listed
5 there. I have collated the information.

6 MR. CAMP: You orchestrated it.
7 Did you discuss this matter with the Canadian
8 publishers?

9 MR. ROUTH: By Canadian publishers
10 -- you mean individual Canadian publishers?

11 MR. CAMP: Did you approach a
12 Canadian publisher in regard to this problem?

13 MR. ROUTH: Yes. Last year we
14 had a marketing seminar at Ryerson here and
15 invited the publishers to participate, all
16 publishers. The only publishers who participated
17 were McGraw-Hill and Prentice-Hall. We had
18 had publishers up at Seneca College including
19 McClelland and Stewart and other Canadian
20 publishers, and have had discussions with them,
21 but it is more of a display type sales promotion
22 kind of thing which they are involved in and
23 you must remember that my field is only one
24 of many fields in a community college. For
25 example, there are Canadian studies, the English
26 program, English communications, engineering,
27 business and data processing. These are the
28 main five areas which are diploma granting
29 courses.

30 MR. CAMP: Well, nothing -- would



1 it do more to create a market for books and the
2 lack of market for books that exists? These
3 books, by the way, the comments here are yours?

4 MR. ROUTH: Yes, they are all
5 my comments. The comments on the surveys?
6 Those comments as they are numbered, are the
7 comments of the instructors in different colleges
8 who have used them. They are keyed. As they
9 came in we recorded their comments exactly as
10 they were detailed.

11 MR. CAMP: Anyway, the long
12 and short of it is that while there is the
13 material available, you are obliged to use
14 it, it being the only material there is?

15 MR. ROUTH: Yes, and for every
16 text you see there there are 100 more which are
17 on the shelves of the colleges available if
18 the instructor so wishes. I should point out,
19 and I do wish to stress this -- insofar as
20 our college is concerned, and I don't know
21 how other colleges operate, but from
22 communication I gather it is more or less the
23 same way. Each instructor is at liberty to
24 choose his own text, whatever it might be, in
25 terms of retailing, market research, international
26 marketing, sales, salesmanship and advertising.

27 MR. CAMP: As I read the
28 brief, your specific complaint is the lack of
29 Canadian case histories?

30 MR. ROUTH: That is correct,



1 exactly.

2 MR. CAMP: So we use the Canadian
3 Combines Act and the tax structure ---

4 MR. ROUTH: They are the
5 bilingualism and the Combines Investigation
6 Act and Income Tax and so forth. These we all
7 have to do ourselves.

8 MR. CAMP: The fact is there are
9 some available?

10 MR. ROUTH: Yes. As I said
11 in my Appendix A, there were 9 Canadian titles,
12 8 are published by corporate houses, that is
13 to say, subsidiaries of American corporations.
14 One was published by Moyer and Schneider,
15 Trends in Canadian Marketing, published by
16 the Queen's Printer. This is in the new
17 survey which was just completed. There were two
18 published by Canadian publishers only in use,
19 the Queen's Printer, which I just mentioned
20 and one also by Burns and MacEachern.

21 MR. CAMP: Just as an aside,
22 the reluctance of Canadian manufacturers, or
23 Canadian business firms to give or provide
24 information on case histories, is this a Canadian
25 syndrome?

26 MR. ROUTH: There are two
27 syndromes. One is if it is an American subsidiary,
28 as it might well be, you will have to check
29 with the parent office and the other factor
30 is that our share of market is so slight that



1 it would damage our share of market. Two years
2 ago, as you know, Marketing Magazine ran an
3 annual survey of markets in terms of award-winning
4 advertising campaigns. In 1969 there were about
5 100 entries and I wrote to all 100 entries
6 asking if I could use the material and if they
7 could supplement it with additional information.
8 I only got a response from four, Speedy Muffler
9 was one, Construction Safety Association, as it
10 then existed, was another and Domtar in Montreal
11 and a fruit company in B.C. There was a
12 general reluctance to impart information because
13 they felt it might be damaging. If the province
14 has created 19 colleges plus one already in
15 existence and spent many of millions of dollars
16 and if we don't have the tools, then we are in
17 trouble with the students.

18 MR. CAMP: Yes. The editorial
19 costs for such a book are high?

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1 MR. ROUTH: I have proposed to some
2 publishers the format for a book which would be low
3 in cost. For example, a book does not have to be
4 bound: it could be loose-leafed, in terms of case
5 histories it could be used and re-used. It need
6 not be high priced.

7 DR. JEANNERET: The loose-leaf
8 would make it subject to sales tax?

9 MR. ROUTH: We are not subject to
10 sales tax, we come under the Ontario Government.

11 DR. JEANNERET: I am afraid of a
12 loose-leaf but that is a detail.

13 MR. ROUTH: Well, these would be
14 hired out if the spirit of co-operation was there.

15 MR. CAMP: And then the fact is,
16 the size of the market?

17 MR. ROUTH: The size of the market
18 is first of all since each instructor in each
19 college has his own preference in terms of text
20 there is no guarantee because, let us say, we
21 have a text of Canadian cases in advertising. I don't say
22 that every college would use that but, on the
23 other hand, it would be a very viable selling point
24 and since most courses have course directors, such
25 a text could be used on the recommendation of the
26 course director.

27 MR. CAMP: What about Canadian
28 Cases in Marketing by Litvak?

29 MR. ROUTH: The Litvak was not
30 satisfactory in that there was not enough information



1 in it for the students to analyze the actual cases.
2 You see, we are sort of in between university and
3 in between high school and we have to have
4 information which relates to our objective. This
5 is an off-the-cuff figuresbut I figure that somewhere
6 between 1,500 and 2,000 press run would be about
7 maximum.

8 MR. CAMP: How many?

9 MR. ROUTH: Between 1,500 and 2,000.
10 I envisage such text being used in first and second
11 year, possibly university business courses.
12 For instance, in advertising there is nothing,
13 nothing.

14 MR. CAMP: There is not much
15 Canadian in the advertising industry either.

16 MR. ROUGH: As I mentioned in my
17 brief there used to be but there isn't any more.

18 MR. CAMP: We have listened to a
19 good deal of the briefs and find that you are
20 really one -- not in denigrating sense -- but
21 you are one of many who require something from the
22 Canadian publishing industry that for economic
23 reasons doesn't seem possible of achievement without some
24 kind of special incentive or subsidy.

25 MR. ROUTH: True. I also feel though
26 that since the high schools receive a certain degree
27 of information from the Department of Education
28 that the Department of Education or the Department
29 of University Affairs when they make their mind
30 up which area the community colleges are going to



1 fall in could also dispense such information, not
2 just on marketing but in the many fields in which
3 we are involved and it is this source of information
4 which we need. As a rule the only thing we get
5 are occasional flyers, pieces of direct mail and
6 an occasional call from a rather harassed
7 salesman.

8 MR. CAMP: If the information is
9 not forthcoming it is going to be rather hard to
10 write a book let alone put it on the market. Do
11 you really think that a student at that level
12 is seriously disadvantaged in terms of his business
13 career which is something like 40 years on-
14 going?

15 MR. ROUTH: I don't know what you
16 mean by "that level". He has grade 13 or grade 12
17 and he is in the first, second or third year.

18 MR. CAMP: When he becomes an
19 employee in business, would he be seriously dis-
20 advantaged because he has been taught by American
21 textbooks?

22 MR. ROUTH: Yes, as a matter of
23 fact we have just completed a rather arduous
24 liaison with business which has proved very fruitful
25 in that we took our graduating three year students
26 in marketing administration of which there are 15
27 in Seneca and we placed them in an off-campus
28 environment with 14 different companies, including
29 three advertising agencies, various mills and so on.
30 The students came back and the feedback from both



1 business and the students was that much of the
2 material that they had worked with in the three
3 years, particularly in retail management material,
4 was useless to them because it did not relate to
5 their environment.

6 MR. CAMP: Some of the leading
7 principals of Canadian corporations were educated
8 in Harvard Business School of Economics which would
9 not seem to prejudice their career.

10 MR. ROUTH: Possibly.

11 MR. CAMP: MAI: appreciate your answers.

12 DR. JEANNERET: I take it we agree
13 that there is a problem for books on marketing in
14 Canada. It boils down to that -- in marketing and
15 many other fields. I am not absolutely sure
16 whether you are suggesting that a good book on
17 marketing which is the case in point could be
18 published successfully if it could be written.
19 Are you suggesting that it could be?

20 MR. ROUTH: Oh, absolutely. These
21 solicitations I have had from publishers who are
22 interested in publishing such a book, there is no
23 problem in getting a publisher to publish it.
24 The problem is --

25 DR. JEANNERET: Excuse me, publish
26 it successfully, market it successfully.

27 MR. ROUTH: If the book is marketed
28 successfully and promoted through the proper
29 channels as a marketing tool, in fact, I see
30 no reason why it should not be a success. On the



1 other hand, as I point out there is the possibility
2 that if it is not a financial success then the
3 authors, if they are subsidized in some form,
4 either through the Department of Education or in
5 some consultative capacity for the amount of time
6 they spend in the preparation of a book -- you
7 see the amount of time is phenomenal and publishers
8 just cannot pay that return.

9 DR. JEANNERET: What I am getting at
10 is, that there is something incongruous in the
11 situation, if this is the situation you suggest
12 exists, where a book can be published successfully
13 but the author is inadequately remunerated for
14 the work of preparing it. These situations can
15 arise, it is quite true, but if it is commercially
16 successful then the marketplace itself works in
17 such a way that the price level and so on tends
18 to remunerate the author adequately for his effort.
19 That doesn't mean that all authors of successful
20 books are paid equally as you well know, but you
21 are suggesting that there is a market, if only
22 somebody could get busy and write one.

23 MR. ROUTH: Yes.

24 DR. JEANNERET: Find the time and
25 be financed?

26 MR. ROUTH: Yes, if such a text
27 was going on to the Canadian market it would have
28 applicability not only in Ontario, it might have
29 applicability for the French province where business
30 is expanding also. I also suggested that such a



1 book would have remuneration for the author, not
2 just in terms of the first printing but if there
3 is a second and a third printing. When I think
4 of the number of printings that some of the texts
5 we have used and gone through -- Economics
6 by Samuelson & Scott which is an American book,
7 that is the seventh or eighth printing.

8 DR. JEANNERET: You recommend
9 financing and your solution partly answers this
10 question but not clearly. I am not sure whom
11 you recommend should be financed, the author,
12 the publisher or, perhaps, the Authors' Institution.

13 MR. ROUGH: I feel that the Authors'
14 Institution should recompense the author if he
15 suffers a financial loss and that since the text
16 will be serving the institutions created by the
17 province that some form of, as I said, supervision
18 or some form of arrangement, should be made between
19 the publisher and the department to which these
20 colleges report.

21 THE CHAIRMAN: I just wondered if
22 I might ask a question which goes to find out
23 whether the main thrust is along a particular
24 line. I wondered if I could ask you in question
25 form from your brief, is your main point really
26 that since the Government of Ontario is providing
27 multi-millions of dollars for plant, multi-
28 millions of dollars for operation and is giving
29 direction, for example, architecturally in many
30 ways with regard to these plants and the operation



1 and administration, that what you are suggesting
2 is, that it is not when it comes down to the final
3 tool, whereby all this plant and administration is
4 used, that it in terms of books, is making no
5 provision either financially or by guidelines or
6 goals for the production of adequate tools in
7 terms of books?

8 MR. ROUTH: That is absolutely
9 correct.

10 THE CHAIRMAN: Is that correct?

11 MR. ROUTH: Your interpretation is
12 quite correct.

13 THE CHAIRMAN: And is your point
14 therefore that surely some percentage of these
15 massive expenditures ought to be set aside for
16 the authoring, creation and publishing -- authoring
17 first, creation and publishing of these texts
18 ought to be an integral part of the over-all plan
19 for these community colleges?

20 MR. ROUTH: Yes, the answer to the
21 second question is yes.

22 THE CHAIRMAN: Is that really the
23 main thrust of your brief?

24 MR. ROUTH: It is really the main
25 thing. If we have some kind of financial assistance
26 that we can go out and do the job and create the
27 text which will be used in that environment.

28 THE CHAIRMAN: Thank you, sir, we
29 appreciate it very much. You have done a great
30 deal of work and it is most useful. Thank you.



SUBMISSION OF BERANDOL MUSIC LIMITED

THE CHAIRMAN: We have with us Mr. Twa and Mr. Cruickshank, of Berandol Music Limited. It is very well organized and a nicely produced brief. I compliment you on it. If you could touch on the high points, I would appreciate it.

MR. TWA: Perhaps before I do that, Mr. Chairman, I have handed out this morning a more definite submission than what we gave in our brief.

THE CHAIRMAN: Do we have the benefit of this?

MR. TWA: I think Mr. Fleming has it. Perhaps if I was to read that --

THE CHAIRMAN: Is that, "The department says in making our submission ..."

MR. TWA: Yes.

THE CHAIRMAN: Very good.

MR. TWA:

" In making our submission to the Royal Commission we offered no recommendations or requests for consideration. As music publishers we are book publishers only in a limited sense and we were primarily concerned with giving background on our company and the peculiarities of its undertaking. Presumably the "Book Publishing" reference in the Commission's mandate is to differentiate its objects from the publishing



1 " of magazines, weekly and daily newspapers
2 and like material of a periodic nature
3 where sale must be relatively current
4 and immediate -- where inventory is only
5 back-issues of purely archival value.
6 Music publishing, perhaps even more
7 than 'book' publishing, operates on
8 relatively large inventories of myriad
9 titles continually selling in small
10 quantity. Our turnover is slightly less
11 than one to one -- we carry at cost
12 about \$130,000 of inventory out of which we
13 presently sell, annually, about \$140,000
14 at our selling price. Such inventory is of
15 dubious collateral value, despite its demonstr-
16 able 'going concern' value, to conventional
17 and even special lending institutions.

18 Any concept of grants or other non-
19 repayable financial assistance seems to
20 us entirely inappropriate. We cannot expect
21 Canadians, who as consumers are only learning
22 to purchase our wares, to be called upon
23 as taxpayers to do what they are not willing
24 to do in the marketplace. Grants tend to
25 shore up dying ventures and to reward
26 incompetency. No one should be in our
27 business who cannot see it working out
28 in the long term without extraneous and
29 artificial support. It is in the short
30 term that optimism and even competency run



1 " into trouble.

2 Publishing in Canada has meant many
3 things, but it is our conviction that it
4 should mean the dissemination of the product
5 of Canadian creativity throughout a world
6 market. The rewards of creativity arising
7 out of publishing have been long established --
8 generally a royalty of 10 per cent computed
9 on the final sale price of each published
10 item sold. The amount of such royalties
11 paid out by a publisher seem a fair measure
12 of the effectiveness with which he chooses
13 and markets his product -- of his potential
14 as an operating publisher. If one limits
15 those royalties to those paid to creative
16 residents of Canada there would seem to
17 be a fair index as to that publisher's
18 effectiveness in terms of our Canadian
19 interest. The nationality of the publisher
20 himself, so long as he does his publishing
21 in this country, would seem irrelevant.

22 We would ask that consideration be
23 given, therefore, to the following:

24 1. That the publisher be permitted to
25 borrow from normal lenders, with surety
26 by the Province of Ontario, an amount
27 equal to five times the sum of his royalty
28 payments in the immediately preceding
29 year to Canadian residents. This amount
30 is readily ascertainable by reference to



1 " T5 (income tax) forms and as readily
2 confirmable."

3 I might say here that the five times
4 formula does bear some relationship to our own
5 inventory experience but it is not adequate, it
6 is merely a suggestion.

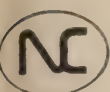
7 " 2. That such borrowing would be
8 arranged at prime rates of interest to the
9 most secured borrower. This publisher
10 (meaning our house) would, in such
11 circumstances, gladly pay in addition,
12 either through the lender or direct,
13 interest at 1 per cent extra into a fund
14 insuring such loans. (see 5 below)."
15 3. That publishers so benefited
16 be required ..."

17 And I have been redundant here too.

18 " ... be bound to report their financial
19 affairs and to accept management inter-
20 vention where indicated.

21 4. Repayment of such loans, for the
22 first term of five years, be restricted
23 to any adverse difference arising out
24 of reduced qualifying royalty payments.
25 After five years a program of repayment,
26 amortized over ten years, be instituted
27 based upon continually revised schedules
28 of qualification."

29 Again the five and ten years are merely out of
30 the air and subject to consideration.



1 " 5. Failure to meet the requirements of
2 4. above could have the effect of creating
3 an option interest in the publisher by the
4 Province of Ontario, hopefully through a
5 Crown corporation set up for the purposes
6 of this paragraph, 3. above and perhaps
7 others. Here we think of joint production
8 and marketing structures which might be
9 profitably run by such a Crown corporation."

10 I might say in this that both by way of comment
11 and appreciation my familiarity with the McClelland &
12 Stewart situation, I was right in Toronto when the
13 news broke and saw it, but I think this government
14 is to be highly commended for having taken positive
15 action in the McClelland & Stewart operation and
16 some of that factor, I might say, was considered
17 in making this recommendation.

18 THE CHAIRMAN: That is very interesting
19 to us, Mr. Twa, because we are concerned about
20 approaches of this kind and it is very helpful to
21 have this kind of recommendation.

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1 MR. CAMP: You said accept
2 management intervention, which is one of your
3 recommendations. I had here by whom? I take
4 it "by whom" you mean either for want of a better
5 expression, the lender or the guarantor?

6 MR. TWA: Yes, or both.

7 MR. CAMP: Or both. You see,
8 nothing prejudicial or dangerous if the guarantor
9 happens to be the government?

10 MR. TWA: I would think not.
11 I don't think management in that sense would
12 create any suggestion of censorship or the kinds
13 of things people seem afraid of. I think this
14 is much too big a bugaboo. The thinking that I
15 have seen ---

16 MR. CAMP: I must say in the
17 first recommendation it is most interesting.
18 You publish music?

19 MR. TWA: Yes.

20 MR. CAMP: Does that include
21 records?

22 MR. TWA: We acted as entrepreneur
23 in the recording of three works of Murray
24 Shaeffer, which is currently on the market
25 and it is some continual financial licking
26 but we are gradually covering our costs.

27 MR. CAMP: What is your personal
28 judgment or opinion as regards the C.R.T.C.
29 ruling on Canadian content in broadcasting?

30 MR. TWA: I think it is excellent



1 but the problem is -- I have made this point in
2 the brief -- the conflict in music between popular
3 and serious, which I think is a very serious
4 concern in the music industry to begin with.
5 The C.R.T.C. ruling almost exclusively relates
6 to whether it is going to be a Canadian or U.S.
7 hillbilly song that is sung on the air.
8 Important as that may be, particularly from the
9 economic standpoint, and artistically from the
10 point of development of music, well intended as
11 it is, and certainly appropriate as it is,
12 it is not going to have entirely the effect that
13 has been intended. It would be something
14 comparable to subsidizing comic books but doing
15 absolutely nothing about a high-class novel.

16 MR. CAMP: Just so that I can
17 more fully understand your recommendation, in
18 number 4 you say that:

19 "After five years a program of
20 repayment, amortized over ten
21 years, be instituted based
22 upon continually revised schedules
23 of qualification."

24 MR. TWA: What I intend there
25 is this, that in other words, one-tenth of
26 what you are then qualified for would, in fact
27 be taken away from you until finally, in the
28 final year you would have none of that which
29 you would be entitled to.

30 MR. CAMP: On the other hand,



1 royalty payments could expand or contract either
2 way each of those five years?

3 MR. TWA: It would change from
4 year to year. We will say in year one, the
5 publisher has paid \$10,000 in royalties to
6 Canadian composers and artists and then he
7 would be entitled to \$50,000. The following
8 year, if he paid \$11,000, he would be entitled
9 to \$55,000 and in the third year, if he only
10 paid \$8000, he would only be entitled to \$40,000
11 and then, when you go through that five-year
12 period, he would be subject to changes in his
13 entitlements based on his prior year, but in
14 addition to that a program would be payable
15 or retire his debt.

16 MR. CAMP: Thank you.

17 DR. JEANNERET: I read your
18 long presentation very carefully and I may
19 have missed some points in it, but I am not
20 quite clear how much of your program is based
21 on Fiche. What are you doing outside of Fiche?

22 MR. TWA: As far as anything
23 reflected in the financial statements is
24 concerned, and so on, we have absolutely no
25 result on library fees as yet. The bulk of
26 our business is about \$140,000 of our selling
27 price is the sale of a combination of two things:
28 most music which we import basically through
29 A & P, New York, which would constitute perhaps
30 one-third of our sales and the balance of it

1 would be the sale of music written by Canadians
2 in Canada and throughout the world.

3 DR. JEANNERET: That is where
4 your royalty-base entitlement under your
5 proposed entitlement would be found?

6 MR. TWA: Yes, simply because
7 at the moment, as far as MUSICache is concerned,
8 we have done nothing but publish public domain.
9 We are paying royalties for the use of other
10 publishers' plates, but this would not be a
11 royalty to Canadian residents.

12 DR. JEANNERET: That is what
13 struck me. You would propose taking Fiche
14 as books?

15 MR. TWA: Yes, we are publishing
16 a current copy of it which we intend to do
17 because we believe that this constitutes a
18 much better way of primary dissemination of
19 Canadian music. There we would be paying
20 10 per cent royalty on the sale price of Fiche
21 just the same as in terms of paper and if it
22 were a Canadian composer, of course, it would
23 qualify under this formula.

24 DR. JEANNERET: I thought your
25 brief was highly informational. It
26 does not promote too many questions.

27 THE CHAIRMAN: Of course, your
28 final point is that in the event that the
29 recommendations of this kind might be found
30 to be acceptable, your special kind of publishing



1 would be included as a firm that would be
2 applicable?

3 MR. TWA: We are most anxious
4 of course, to make the point that music
5 publishing is a part of publishing generally.

6 DR. JEANNERET: It is mostly
7 sheet, isn't it?

8 MR. TWA: Yes.

9 DR. JEANNERET: Sometimes
10 40-some pages?

11 MR. TWA: 18 pages. In certain
12 areas, for instance, we actually do have four
13 soft-cover books by Murray Shaeffer, which
14 are selling on a world basis, which are nothing
15 but tracks, no music as such.

16 THE CHAIRMAN: Thank you very
17 much, Mr. Twa and Mr. Cruickshank.

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19 ---Luncheon adjournment
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1 ---The hearing resumed at 2.00 p.m.

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3 THE CHAIRMAN: We have with us this
4 afternoon Mr. W.C. Heine who is at this time
5 President of the London Free Press. What we would
6 like you to do, we have read your material, so
7 if you would assist us in this way by hitting
8 the highlights of your brief and then we will have
9 a discussion with you.

10 SUBMISSION OF WILLIAM C. HEINE

11 MR. HEINE: Thank you, Mr. Chairman.
12 I will try to be very brief if I may then on
13 the highlights you asked for. I think reading
14 the brief will indicate that there are two points
15 in it of some consequence, at least from my point
16 of view. One is, I think it is wrong for govern-
17 ments, directly or indirectly, to subsidize
18 publishing. It seems to me that the pressure of
19 resources and research, sheer numbers of people
20 and expertise of publishing enjoyed by the Canadian
21 subsidiaries of American publishing firms will
22 in time drive most of the existing Canadian
23 publishers to the wall.

24 By the nature of the loan that is
25 being arranged between the Provincial Government
26 and McClelland & Stewart there is an excellent
27 possibility that the government will be in the
28 book publishing business before too many years.
29 I hope not.

30 THE CHAIRMAN: I might say that I



1 don't agree with you at all in that assessment.

2 This is just a comment as we pass by.

3 MR. HEINE: The government will be
4 in the book publishing business before too many
5 years. I certainly hope not but I am afraid that
6 is the way it is going to develop and then, of
7 course, out of desperation because they will be
8 the owners on behalf of the public of a large
9 corporation, they will start introducing more tax
10 funds, the potential of content control begins
11 to develop and, I think, the situation will be
12 just as bad as governments trying to own daily
13 newspapers. I don't think this serves the public
14 interest in a democracy.

15 We have one Queen's Printer now
16 and I don't think we need a second. The other
17 point I think made in the brief is that the way
18 to go at the necessary help I believe to be
19 immensely necessary, the necessary help for
20 Canadian book publishing is to legislate a situation
21 where the school boards of Ontario are required
22 to purchase their textbooks from corporations where
23 the books are written by Canadian writers and
24 published, of course, in Canada but which are
25 also in their majority, the majority of the share-
26 holders are Canadians.

27 The point of the brief is that such
28 legislation would require the existing Canadian
29 subsidiaries of American firms operating in Canada
30 to go public or to sell blocks of their stock to



1 existing Canadian corporation or Canadian
2 individuals and the industry would then enter
3 what I would hope to be a healthy period of Canadian
4 book publishing with competitive firms in the open
5 market, all of them Canadian-owned or the majority
6 of their shares. That may seem like a simplicity,
7 an over-simple solution to the problem but I
8 believe it is workable, I think it would have the
9 same impact on book publishing in Canada that
10 the CRTC Canadian content regulations have had on
11 the explosion of Canadian entertainment.

12 I think those are the two principal
13 points in the brief.

14 THE CHAIRMAN: Speaking of those
15 recommendations, Mr. Heine, do I take it that you
16 really fundamentally recommend to this Commission
17 that there be constituted a body charged with, say,
18 similar or analogous responsibilities to those
19 which the CRTC has in relation to the book
20 publishing industry in Canada? You don't?

21 MR. HEINE: No.

22 THE CHAIRMAN: What we are trying
23 to do is find out what people think. How do you
24 implement these recommendations you are suggesting
25 to us?

26 MR. HEINE: It would seem to me,
27 sir, that the existing Department of Education
28 of the Provincial Government is quite capable of
29 determining that the school boards of the province
30 do buy textbooks according to what would be the



1 regulations.

2 THE CHAIRMAN: You are speaking
3 only of textbooks, are you?

4 MR. HEINE: Oh, yes.

5 THE CHAIRMAN: I didn't realize
6 that.

7 MR. HEINE: It would be intolerable
8 to impose such restrictions I think on the general
9 trade field. This would have no bearing and it
10 would be intolerable too, to do the same thing
11 at the university level because as a person matures
12 and develops to the university level what they
13 require probably as much as anything else is
14 exposure to other cultures and to other ideas but
15 what is wrong with the Canadian situation is the
16 potential of having all the textbooks read by
17 Canadian children in their early formative years
18 oriented directly or indirectly towards American
19 concepts of government, American concepts of
20 justice, American concepts of the whole range of
21 philosophical attitudes. This, I think, is wrong
22 and we won't solve it by making loans to individual
23 publishing corporations.

24 You have to take a far more fundamental
25 look at the basic problem facing Canadians and
26 maintaining a national identity in the case of the
27 size of our country.

28 THE CHAIRMAN: We are living in a
29 society where people want things done immediately.
30 We are just a group of three people who have been



1 constituted just recently hence you or we or anyone
2 else has yet to see what our long-term
3 recommendations are going to be.

4 MR. HEINE: Quite.

5 THE CHAIRMAN: So we have to give
6 consideration to what you have made reference to.
7 I wonder if you might help us by indicating the
8 inter-relations of those interim recommendations
9 which applies for convertible debentures which is
10 really security for a loan? Do you find it
11 objectionable that there is an option to convert?

12 MR. HEINE: No, I don't think it
13 is very important, sir, the details of how you
14 apply such a loan. I think the basic concept of
15 such a loan is wrong in itself.

16 THE CHAIRMAN: You would be one then
17 who perhaps would be of the view that while the
18 corporations in Canada who are publishing and who
19 in fact have available capital and, therefore,
20 are subsidized by their parents, while they have the
21 benefit of this kind subsidization by the
22 government of Canadian controlled corporations is
23 not justified?

24 MR. HEINE: No, although you put a
25 context on it which makes it hard to argue against
26 it.

27 THE CHAIRMAN: I just asked you a
28 question, you might help us on it.

29 MR. HEINE: You equate public
30 assistance and private subsidization by private



1 corporations.

2 THE CHAIRMAN: I am talking about
3 foreign-controlled organizations.

4 MR. HEINE: It is not the United
5 States government which is providing the capital
6 and the expertise to the Canadian subsidiaries of
7 American firms. It is a private corporation.

8 THE CHAIRMAN: That is right.

9 MR. HEINE: My basic concern, sir,
10 is that where large numbers of dollars turn up
11 in corporate structures there lies the ultimate
12 control. There is no way around it. If you own
13 a majority share in something you have control of
14 it and if the Government of Ontario or the Government
15 of Canada or P.E.I. or any other place gets
16 so much money into a corporation that it acquires
17 a majority interest in it, it controls it, and
18 governments, whether they are Tory, Grit or NDP,
19 tend to try to impose their ideas on things they
20 control and this, in my opinion, is not good and
21 is not the answer that should have been brought
22 to bear on the McClelland & Stewart situation.

23 MR. CAMP: I share some of your
24 philosophical reservations. You are not without
25 publishing experience yourself.

26 MR. HEINE: I am not without
27 editorial experience. Unfortunately I have not
28 acquired the capital to become a publisher.

29 MR. CAMP: You were Chairman of the
30 Board at Ryerson, correct?



1 MR. HEINE: Yes.

2 MR. CAMP: We could describe the
3 experience as a unhappy one?

4 MR. HEINE: It was very unhappy for
5 Ryerson. It was a difficult task.

6 MR. CAMP: I am coming to a question
7 here because there was an analogy running through
8 my mind as you were outlining your philosophic
9 reservations about what the Commission has
10 recommended in its interim report.

11 I want to ask what would be considered
12 a leading question but I don't think an unfair one.
13 In your judgment, as Chairman of the Board of
14 Ryerson at the time of the sale, would you say that
15 the decline or the difficulties which the firm was
16 in were created substantially because of the
17 difficulties you enumerate as applying to the
18 Canadian publishing industry or would you say the
19 difficulties were created by Ryerson's affiliation
20 with the United Church and the demands that that
21 institution made upon it or a degree, let us say,
22 of mismanagement or poor management or management
23 that failed in other regards?

24 MR. HEINE: It was a very large
25 mixture, Mr. Camp, of problems. All those things
26 that you mention are involved in it in my opinion,
27 every one of them. The degree to which they apply,
28 it is extremely difficult --

29 MR. CAMP: Did it have good management?

30 MR. HEINE: No.



1 MR. CAMP: Had it had good
2 management, assuming it had a high degree of
3 competent management, assuming it didn't have the
4 dead hand of the United Church --

5 MR. HEINE: That is not quite fair
6 but all right.

7 MR. CAMP: I think you know what I
8 mean?

9 MR. HEINE: I understand.

10 MR. CAMP: For the record I would
11 say this means the demands which the United Church
12 placed upon the corporation. Assuming those two
13 things do you think that Ryerson through
14 conventional sources and in the open market, would
15 still be publishing today as a viable industry?
16 I accept the fact that the question is highly
17 hypothetical but I would like to have a hypothetical
18 answer.

19 MR. HEINE: At the time I became
20 directly associated with and responsible for
21 some leadership in its policy, I am now convinced --
22 I didn't really believe it at the time -- if I
23 believed it at the time I might not have taken the
24 job on but looking at the job now it is my
25 considered judgment that there is no way that
26 Ryerson Press could have made a viable operation
27 given the situation in which it found itself when
28 I became, in effect, Chairman of the Board.
29 Does that answer your question?

30 MR. CAMP: Not quite. Maybe you



1 can't answer the question, maybe you are not able
2 to. I am saying had it not been through
3 difficulties caused to Ryerson as a publishing
4 enterprise by its affiliation with the United Church
5 and had it had a higher degree of management
6 efficiency, do you think Ryerson would still be a
7 viable publishing industry today?

8 MR. HEINE: I can answer that,
9 I think, very effectively. Do you know of any
10 Canadian publishing house that is operating viably
11 and not in any financial difficulties?

12 MR. CAMP: They are not out of
13 business.

14 MR. HEINE: Well, one of them is out
15 of business because the Province of Ontario took
16 over to the extent of \$900,000. Under the pressure
17 of the tremendous degree of expertise available
18 to the Canadian subsidiaries of American publishers,
19 I think it is a matter of time before the Canadian
20 book publishing industry as such disappears except
21 for a few fringe operations unless you find some
22 way to in effect do what has been done for a great
23 many years to protect industry in Ontario, build a
24 tariff wall, do something to create a situation.
25 Don't misunderstand me, I am not suggesting we put
26 a tariff wall on books coming into the country, that
27 is ridiculous.

28 I am suggesting in this one area
29 which is the backbone of book publishing, i.e.
30 what we call the el-hi textbook, the basic



1 elementary and high school textbook area is
2 the bread and butter of the book publishing
3 industry. If they do well at that they are usually
4 economically viable and can afford to take risks
5 in the trade publishing area.

6 MR. CAMP: I think you suspected
7 what I was going to say.
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1 MR. HEINE: If you could create
2 a situation, and this is what my brief suggests:--
3 whereby Canadian corporations owned by -- a
4 majority of which is owned by Canadian shareholders,
5 only have access to that particular market,
6 then you would be in a very simple way without
7 a need for policing or administration or any
8 other kind of structure, creating a basic
9 financial security for anybody in Canada, including
10 those Canadian subsidiaries of American firms
11 which are, in the majority, Canadian owned, a
12 viable market in Canada. That, sir, I think is
13 the answer to your problem.

14 MR. CAMP: Had Ryerson
15 Press been a newspaper, it would have been
16 sold to Maclean Hunter?

17 MR. HEINE: By law, yes.

18 MR. CAMP: There is a law which
19 protects the ownership or assures the ownership
20 and control of Canadian newspapers in Canadian
21 hands?

22 MR. HEINE: I thought the question
23 you were heading for was Ryerson Press
24 would be revived if government had given it
25 a million dollars.

26 MR. CAMP: It is a useful
27 question. There might be another one, though,
28 in fact, that had we had ---

29 MR. HEINE: The answer to that
30 question is no, by the way, in my opinion.



1 MR. CAMP: I will come back
2 to that, if I may. Had we had the caveat that
3 happened in the publishing industry that we
4 had in the book publishing industry, that we
5 had in the publishing of newspapers, you would
6 have got your way, that is to say, as Chairman,
7 and the firm would have been sold to Maclean
8 Hunter?

9 MR. HEINE: One would think
10 that might be the situation.

11 MR. CAMP: I think it was your
12 judgment, Mr. Heine -- I don't want to put
13 judgments in your mouth, that that offer might
14 have been acceptable. You resigned because of
15 the sale to McGraw-Hill, that is my understanding.

16 MR. HEINE: This needs to be
17 very carefully spelled out. I resigned as
18 chairman of the division of communication
19 because although I had negotiated both with
20 Maclean Hunter and McGraw-Hill to bring the
21 offers that were brought finally to the church
22 board responsible, of which I was a member,
23 my colleagues, five in number, decided they
24 could not forego, on behalf of the members of
25 the United Church across Canada, the \$1 million
26 additional money that would be paid by the
27 McGraw-Hill offer. Having had a number of,
28 I think, rather blunt things to say about my
29 views on Canadian nationalism, I didn't feel
30 able to participate in what was an honest decision



1 on their parts, so I resigned. This does not
2 mean that there was deep animosity or bitterness
3 or fight, or anything else. I am trying to
4 spell it out carefully.

5 MR. CAMP: But I am asking you,
6 as a matter of fact, if you thought
7 the Canadian offer ---

8 MR. HEINE: . . . should have
9 been accepted, yes. It seemed to me that
10 \$1 million over the next ten years would not
11 have been that great a sum, or whatever
12 period of time it takes Canadians to resolve
13 the relationships they have with the United States
14 in terms of economic viability, control of the
15 country's resources, and during that period I
16 have a strong feeling the Church was muzzling itself
17 in being any kind of open and official spokesman
18 on behalf of its version of Canadian nationalism.
19 It was not worth the price, in my opinion, but
20 that is purely an opinion.

21 MR. CAMP: Maclean Hunter seems
22 to know what it is doing, I assume. Its offer
23 would have been based on the fact that it could
24 have made a viable operation of Ryerson and
25 you agree with that?

26 MR. HEINE: No. It was a little
27 different than that. Maclean Hunter wanted
28 to enter in a real way the book, the textbook
29 publishing field, and Ryerson was a good vehicle
30 with which to do it. It was worth X-dollars to



1 them on the basis of return on the investment
2 over a period. McGraw-Hill, on the other hand,
3 has been in the el-hi textbook picture in Canada
4 in a very effective, and I think praiseworthy
5 way, for a good number of years. It is an excellent
6 corporation. They wanted to extend the operations
7 in Canada. I think the essence is that Ryerson
8 was worth more to them than it was to Maclean
9 Hunter.

10 MR. CAMP: Yes. Do you approve
11 of the regulation or the law in regard to sale
12 of Candian newspapers?

13 MR. HEINE: Do I? Yes, being
14 the editor of a paper I may be accused of
15 professionalism, but in a very real way in the
16 modern development of British and North
17 American democracy, newspapers have had a role
18 to play, the absence of which, or the diminution
19 of which has always had a bad effect on democracy
20 in the broad sense of the word.

21 MR. CAMP: Which foreign ownership
22 would create?

23 MR. HEINE: Ownership of the
24 daily means of communicating between the
25 government and the people, between business
26 and the people, between labour and the mass
27 of people, any inhibition or any control over
28 the basic national independence of these, I
29 think would diminish our version of democracy
30 substantially, and therefore, I support this



1 legislation. I emphasize, however, that I hope
2 nobody thinks I do it in order to continue to
3 be editor of a Canadian newspaper.

4 MR. CAMP: You are saying the
5 same professionalism would be required, no
6 matter who owned it?

7 MR. HEINE: I hope my professionalism,
8 to the extent I have it, is oriented to Canada
9 and not to Britain or France or the United
10 States or any other country.

11 MR. CAMP: But can you not
12 see a similar requisite for a Canadian publishing
13 industry? I am not saying precisely the
14 same in terms of the cultural value.

15 MR. HEINE: This requires, I
16 think probably some further thought. The daily
17 communication of news in the print media is
18 one situation. The communication that occurs
19 through books is of a different order, a
20 different time factor, different nature
21 entirely. It does not have the instantaneous
22 impact that a headline has. Therefore, I
23 think we can afford to be more flexible in the
24 kind of intake. I know my own reading of books
25 runs, not a few a month -- probably very highly
26 non-Canadian. I read all that is available,
27 I think, in the Canadian market, but there are
28 many others I can only get through other markets
29 and I want those and I hope the situation will
30 never arise when I can't get them.



1 MR. CAMP: Similarly a Canadian
2 newspaper has a high degree of American content?

3 MR. HEINE: True. I once told
4 a group of editors in Washington, Canadian daily
5 newspaper editors are in a very difficult position
6 because the Canadian public wants to know, not
7 only everything there is to know about its own
8 political situation, but it is equally interested
9 in the American situation, and to a very significant
10 degree, a great many Canadians are interested
11 in the British.

12 MR. CAMP: As with readers of
13 books.

14 MR. HEINE: True. The Canadian
15 editor has to cater to the strong interests
16 of Canadians who are intensely interested in the
17 policies of three countries, whereas Americans
18 are only interested in their own.

19 MR. CAMP: As with the Canadian
20 publisher. What I am trying to get you to say,
21 if we accept the principle that the Canadian
22 government or the political jurisdiction had
23 a responsibility to intrude in order to protect
24 what they considered to be a special interest
25 of the society, a necessary and essential
26 interest of the society as they did of the
27 newspapers, as they did in a sense with
28 regard to magazine publishing ---

29 MR. HEINE: I will argue with
30 you about that.



1 MR. CAMP: And as they have done
2 with regard to radio and television, I don't
3 see where the analogy breaks down in terms
4 of the publishing industry, because the
5 expertise is just as unequal in many ways and
6 the technology is just as unequal and the
7 marketing considerations and economics all have
8 the same disproportion in terms ---

9 MR. HEINE: Mr. Camp, I have
10 not argued against government action. In fact
11 I am urging government action which in my
12 opinion would help make Canadian book publishing
13 viable. What I have been arguing against is
14 the input of tax dollars into a book-publishing
15 situation. This is going to cause trouble,
16 both for the government that does it, for the
17 book publishing firm that receives it and for
18 the Canadian public that allows it to happen.
19 It will reach a situation where governments
20 have financial control and they have thought
21 control. When they have direct control of
22 that kind, then it is not good for anybody.

23 THE CHAIRMAN: We have recommended
24 the -- you are suggesting we recommended the
25 government have financial control of this.
26 This is not what we have recommended.

27 MR. HEINE: I am quite aware
28 you have not recommended ---

29 THE CHAIRMAN: Please put your
30 statements in line with what you know we have



1 recommended.

2 MR. HEINE: I have been overseas
3 for a month, but as I understand it, you have
4 recommended the government provide funds on a
5 negotiated basis which would hopefully make
6 McClelland and Stewart an operable firm within
7 a time period and that the government will have
8 an option to convert its debentures into shares
9 at some point during that time if necessary.
10 Is that correct?

11 THE CHAIRMAN: Yes.

12 MR. HEINE: Yes. If that was
13 the thought of that debenture being converted
14 the shareholders' control, in my judgment
15 it puts the government in control of the
16 corporation and I conceive that to be a bad
17 thing and I am warning against it.

18 THE CHAIRMAN: I am asking you
19 again whether you thought that was the objectionable
20 part of our recommendation? Is that the
21 objectionable part you find with the convertible
22 debentures?

23 MR. HEINE: Even if you don't
24 have a convertible debenture, you asked me to
25 spell it out what it was you recommended and
26 I did that. I think the introduction of
27 federal or provincial or municipal funds into
28 a publishing arena such as we are talking about,
29 or the basic principle cannot but help but have
30 serious consequences for the corporation that



1 receives it, the government that gives it and
2 the public that allows it to happen. This is an
3 opinion. If you don't agree with it, I am
4 happy to have you disagree but, you know, I
5 express an opinion.

6 MR. CAMP: I am sympathetic
7 with your concern and even though I keep coming
8 back to the simple fact that the government
9 has a responsibility to surely ensure that
10 some of the vital elements of its society,
11 communications in publishing ---

12 MR. HEINE: I am suggesting in
13 the long-run there are better ways. Not
14 necessarily ---

15 THE CHAIRMAN: We have not got
16 a long-run in front of us.

17 MR. CAMP: What I think you mean
18 is that in the end anyway, the publishing industry
19 would be better served, the public would be
20 better served, if the publishing industry were
21 international. I think you said that in your
22 opening statement.

23 MR. HEINE: I am sorry, would
24 you rephrase that again?

25 MR. CAMP: In that in the long-run
26 we would have here a domestic, domesticated
27 American publishing industry, or foreign-owned
28 and controlled.

29 MR. HEINE: In the absence of
30 some action, yes, quite. Experience shows it,



1 doesn't it? That is what the Commission has
2 been formed to consider.

3 MR. CAMP: What action do you
4 suggest, and what action will work?

5 MR. HEINER: I will rephrase
6 my answer: Both in the long-term and the
7 short-term, sir, it is better for governments to
8 keep money out of areas where people express
9 ideas.

10 MR. CAMP: Such as the CBC?

11 MR. HEINE: Yes. In an interview recently
12 one of the CBC interviewers ask questions
13 along these lines and one of them, in a rather
14 snarky tone, I thought, he was asking how I
15 thought this kind of indirect thing could happen.
16 I shortly said "The same way you run a documentary
17 on Lenin during the F.L.Q. crisis". They didn't
18 like it and they didn't use it.

19 MR. CAMP: Touche!
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1 DR. JEANNERET: I am a little worried
2 about the degree on page 7, for instance, to
3 which you manage to denigrate trade publishing as
4 compared with educational. I don't think you
5 intend to as much as it sounds.

6 MR. HEINE: Page 7, sir?

7 DR. JEANNERET: Yes. You have
8 been describing educational publishing and the
9 industry being in trouble but you seem to look
10 on trade publishing as a kind of dark and bubbly
11 swamp and you assign it to those educational
12 publishers that are successful. I am only slightly
13 distorting the emphasis, I think.

14 MR. HEINE: You have to realize,
15 sir, that the brief is oriented to try and
16 illustrate the point that if a publishing firm
17 has a solid textbook operation, in my opinion it
18 is more able to take risks in the trade field.

19 DR. JEANNERET: Yes, but you said,
20 " The issue faced by this commission on
21 book publishing does not primarily
22 concern trade books ..."
23 It may hang on this word "primarily" but it seems
24 to me in a firm such as McClelland & Stewart
25 that you or I could name from our memory a great
26 many of their publications and not one of them
27 would be a school book.

28 MR. HEINE: I think that is one
29 of the reasons they are having trouble.

30 DR. JEANNERET: Isn't it one of the



1 reasons they need to be saved? Don't you agree
2 that trade publishing is a creative industry
3 which will not be supplanted or taken over by
4 other firms if they go under?

5 MR. HEINE: I have seen no
6 indication that we disagree on the need to
7 salvage these Canadian firms. The only disagreement
8 I see is how we go about it.

9 DR. JEANNERET: Because they are
10 important trade publishers in some cases?

11 MR. HEINE: Yes. Possibly that
12 first sentence to which you point I think
13 correctly puts emphasis in the wrong place. If
14 it had read something along the lines, "The result
15 desired by your Commission to salvage Canadian
16 book publishing will not be achieved by a concern
17 with trade books as much as it will be achieved by
18 a concern with textbooks."

19 DR. JEANNERET: You recognize
20 the fact in the last sentence in that paragraph
21 where you note that McClelland & Stewart has
22 not been so well known as an educational publisher
23 but I am worried about another aspect of this
24 approach. You say,,

25 " With the security of income associated
26 with educational books, publishers
27 can afford to take the risks inherent
28 in trade book publishing."

29 I couldn't agree with you more than I do, but what
30 I do ask is what earthly guarantee or assurance



1 is there that they will even look at trade books
2 merely because they are successful as
3 educational publishers? This is not the
4 pattern of the subsidiaries.

5 MR. HEINE: In the situation that
6 I am describing, sir, all the book publishing
7 firms in Canada, whether wholly Canadian owned,
8 whether Canadian subsidiaries of American firms
9 or anything else, would be at least 51 per cent
10 Canadian-owned and then I don't really care who
11 survives and who doesn't.

12 MR. CAMP: It would take some
13 measure of government direction and influence and
14 money to compel a house like McClelland & Stewart
15 whose contribution has been recognized by everyone
16 I am sure, in the textbook field and it doesn't
17 appear to be where their expertise is, it
18 appears to be where their heart is but you have
19 to do that.

20 MR. HEINE: From the little bit
21 that I know of the book publishing industry they
22 are either going to have to do it or sooner
23 or later despite all the Provincial Government
24 help in the world they are going up against the
25 wall, which is another reason why I don't agree
26 with putting money into them.

27 THE CHAIRMAN: Mr. Heine, in
28 your experience I think you know a wall when you
29 see one. May I ask you this --

30 MR. HEINE: I find myself incorporated



1 in one too.

2 THE CHAIRMAN: Well, we would not
3 want you to go bankrupt.

4 MR. HEINE: No, I hope not.

5 THE CHAIRMAN: I am very interested
6 in your ideas and the forthright way in which
7 you put them forward. It is very direct and this
8 is very beneficial to us because we are always
9 looking for individual ideas and we are
10 prepared to act on ideas that confront us and
11 we are prepared to act also on situations that
12 confront us. It is all very well to have a
13 theory but it is a decided difference to put it
14 into effect.

15 Since you have the broad basic
16 background that you have got you might help us
17 by indicating how you would, assuming that a
18 Canadian publishing corporation like McClelland &
19 Stewart is worth preserving, how you in the short-
20 term -- not the long-term -- would recommend to us
21 that we might recommend to anyone how it might
22 be done.

23 MR. HEINE: I know Jack McClelland
24 from conversations and by reputation. Short of
25 the action taken by the Provincial Government on
26 your recommendation and short of the possible
27 legislation either at federal or provincial level
28 preventing the sale of such a company, then I
29 suspect there is no way. I think Canada has a
30 problem, sir, that is not a short-term problem.



1 We can't do what Mexico did and expropriate
2 everything that is owned by Americans. That would
3 cut off our noses to spite our face, literally
4 cut our throats. We have to find a long-term
5 solution to the problem. There is no short-term
6 solution and, therefore, whether you are dealing
7 with the oil industry or the whole economic
8 structure of Canada or the book publishing industry,
9 I don't see anything except ad hoc expediency
10 decisions on the short-term. I would hope that
11 both the Provincial and Federal Governments
12 will develop long-term future situations so that
13 when Canada grows to be two, three and four times
14 its present size that the growth factor will be
15 Canadian-controlled and the amount that is there
16 now which is to a large degree under foreign
17 control will be a small portion of the total and
18 therefore, unimportant. There is no short-term
19 solution that I know of.

20 THE CHAIRMAN: That is very
21 interesting and most responsive.

22 DR. JEANNERET: Mr. Heine, you
23 alluded to this in your preliminary remarks and
24 I think perhaps even backed away a little bit
25 from part of this position, maybe you didn't,
26 but your central proposition is that there should
27 be legislation after a given date so that school
28 boards in Ontario would be required to buy 60
29 or perhaps 75 per cent of their elementary and
30 secondary school textbooks from publishing firms



1 of which the majority of shares are owned by
2 Canadians, which are published in Canada and
3 which are written by authors who are Canadian
4 citizens and you go on to say -- and I think this
5 is what you backed away from -- smaller per-
6 centages may be applied in future to universities
7 on the basis of experience with elementary and
8 secondary schools.

9 Coming from a senior Canadian
10 journalist this strikes me as recommending an
11 encroachment on the right of the individual to have
12 access to copyright material. It is a form of
13 censorship. I am not suggesting this should be
14 done. It may have to be, we don't know yet
15 but your own position on this strikes me as
16 unusual.

17 MR. HEINE: Well, to the same
18 degree, sir, that I hope you will change your
19 position on loans to book publishing firms,
20 I hope I am able to modify my position. In writing
21 it that way the basic assumption was that there
22 should be no control particularly at the university
23 level. I would even see a difference in degree
24 of requirement between elementary and secondary,
25 certainly the amount of control at the university
26 level should be at a very minimum if it exists at
27 all. I was merely raising the possibility of
28 some future date.

29 If you look at it more seriously
30 than I did in drafting the brief, I might quickly



1 back off and say, "Fine, I can't see there ever
2 being a need for this kind of control at
3 university level" because if the university is
4 going to study the country, the culture and
5 politics and psychology of the country, it is
6 going to need a fair percentage of books from that
7 country anyway.

8 DR. JEANNERET: Publishing is
9 concerned with copyrights as we both will agree
10 and access to copyrights and the making available
11 of copyrighted information to the public.
12 Now, if any publisher, whether it were an
13 American publisher or a subsidiary or whatever,
14 had to close its operations in Canada because
15 of action taken along the lines you yourself propose
16 then one of the consequences would be the denial
17 of access to many copyrights as far as Canadians
18 are concerned. You are prepared to go that far?

19 MR. HEINE: I am not too sure of
20 the feeling in which you are asking the question.
21 I am not a book publisher and I have not been
22 involved in it. Books for which the copyrights
23 are not available in Canada are still available
24 to Canada through the copyright and sales
25 operations in other countries. I can't see
26 that this is a problem.

27 In other words, if a book is not
28 capable by its copyright arrangements of being
29 published in Canada I can still order it from
30 London, Paris, New York or somewhere if I wanted



1 the book.

2 DR. JEANNERET: Yes, you might
3 even from a school teacher.

4 MR. CAMP: Just to get back to your
5 concern in regard to McClelland & Stewart, their
6 circumstances, which may or may not become
7 practice but assuming it is a fait accompli,
8 would you feel easier or less so if there were
9 shared participation in this, that is, if there
10 were more than two governments involved?

11 MR. HEINE: I think the situation
12 would be just twice as bad.

13 MR. CAMP: It might be half as
14 good but twice as bad?

15 MR. HEINE: Particularly where
16 you have the situation like you have now where
17 you have Tories in Ontario and Grits in Ottawa.
18 You would never get a decision any time.

19 MR. CAMP: That might be a good
20 thing to allay your uneasiness.

21 MR. HEINE: No, I can't see that.
22 Anything in which I have been involved or anything
23 I have tried to cover or comment on if it involves
24 two or three levels of government it becomes
25 immensely complicated and insoluble usually.

26 MR. CAMP: That is fine.

27 THE CHAIRMAN: Thank you very much,
28 Mr. Heine. We have appreciated your views very
29 much indeed. Thank you for your thoughts.

30 MR. HEINE: Thank you for asking me.

SUBMISSION OF GENERAL PUBLISHING CO. LIMITED

THE CHAIRMAN: And now we have with us General Publishing Co. Limited headed by Jack Stoddart, President, Mr. Al Knight, Executive Vice-President, Mr. Russell A. Blenkarn, Manager, Educational Department, Mr. Rafael Barreto-Rivera, Manager, College Department, Mr. Gordon Ratcliffe, General Manager, Book Service of Canada and Mr. Jack Stoddart, Jr., Sales Manager, Musson Books and Paperjacks.

We would ask you to touch on the high points of your brief, assuming there are no low points.

MR. STODDART: Gentlemen, we have been looking forward to this day for a long time. I think many people will realize that this company, this group, has been asking for action in the publishing field for at least four or five years, not because we are asking for financial assistance or not because we feel that the industry necessarily is sick because we don't ask for assistance and we are not saying that the industry is sick.

In fact, it disturbs us, the tone that has taken place in some of the earlier presentations.

This group here, this company or the group of companies which we have is very optimistic about the future and we have, I think, succeeded in solving some of the difficulties that have been presented and from purchasing a very small



1 company less than 14 years ago with just three
2 employees, a hole in the wall, this company now is
3 a major force in Canadian publishing and Canadian
4 publishing agency work.
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1 We are indeed optimistic about
2 the future and I would like to cite some of
3 the reasons why we are optimistic: We think
4 the Canadian market is developing very quickly
5 and is waiting for more Canadian titles. We
6 believe that Canadian authors are writing more
7 and better books and want and need to be
8 published. We believe that Canadian publishers
9 have great expertise and ability to publish
10 more and better Canadian books. I say that
11 with ~~the~~ strong conviction because we are
12 inter-related with many international firms
13 and I think Canadian publishers can match any
14 of them.

15 We know there is a growing
16 retail book store industry in this country
17 and it is the best that has ever been, and it
18 is growing into areas where we did not have
19 such retail outlets before. Governments
20 have been generous with their budgets for
21 books and we believe that this will continue,
22 even though perhaps there are cutbacks at the
23 moment, but we believe if the budgets are spent
24 in Canada and not sent out of the country,
25 again the Canadian publishing agency business
26 is in for a whole new era and a very exciting
27 time.

28 We believe that Canadian books
29 have reached the standard and the position
30 where the export business is going to grow quickly



1 and recognition of Canadian authors and Canadian
2 publishing programs will be recognized and we
3 are already finding that a percentage of our
4 books are being exported.

5 Our optimism, which has developed
6 through what you might call a Canadian-publisher-
7 agency program to a Canadian publishing program,
8 is such at this moment that, already, 1971, we
9 have published or have committed ourselves to
10 19 publishing projects and the list for the year
11 is not completed yet. Very recently we have
12 added two of the top editors recognized in
13 Canadian publishing.

14 With all this optimism, I would
15 like to state two positions: earlier in the
16 meetings I sensed that too many people were
17 talking about Canadian publishers and sort of
18 on the wrong side of the tracks we are placing
19 the Canadian publisher-agents. Gentlemen, if
20 that is so, then you are going to place most of the major
21 houses in Canada on the wrong side of the tracks
22 because the foreign-owned firms here and the
23 larger Canadian-owned firms here are basically
24 publisher and publisher-agents. If I may be
25 permitted to mention the name, and I see they
26 are represented here today, I would state the
27 great firm of McGraw-Hill in Canada is a
28 publisher - publisher-agent just as much as
29 the general publisher is a publisher-publisher-agent,
30 and I think you may find the percentage of our



1 dollar volume of our own publishing program
2 in relation to total may be as great as some
3 other houses which are owned outside the country,
4 but seem to be recognized as publishers. I
5 would suggest that we think of publishing, not
6 in the confined, rather old-fashioned idea that
7 publishing is finding the author, getting the
8 book written and getting it produced. I think
9 the Canadian Book Publishers' Council touched
10 on this area, ~~that~~ publishing is from author to
11 reader or consumer.

12 To just illustrate this, Sir
13 Robert Lusty, who is one of the heads of one
14 of the great British publishing houses, stated
15 a few years ago that he felt the greatest day
16 in British publishing history was the day that Allan
17 Lane started taking in Penguins. When you stop
18 to think of the significance of that statement,
19 we will realize that Sir Allan Lane
20 was taking authors words which had already been
21 created in hard cover and published them -- and
22 I do say published because he took the product,
23 took a book and put it in a new form and got
24 it to the reader. In many cases here in
25 Canada the publishing agent is taking an
26 already created book and doing that very important
27 second part of publishing and that is the
28 finished book to the reader.

29 I believe that Canada needs Canadian
30 publisher-agents, whether foreign owned or Canadian



1 owned because the great majority of the books
2 used in this country have to be and will be
3 for many years international books which must
4 be imported. Our point is that we believe

5 Canadian owned firms acting as publisher-agents
6 should have the income of handling those imported
7 books and so use that income to create Canadian
8 books and to publish Canadian authors. This
9 we are doing and many others are doing so.

10 I state flatly the agency system
11 is not good. If we can do what we have in
12 14 years, it definitely is not good. An area
13 which this Commission I hope will consider
14 seriously -- there are a number of areas -- this
15 area, though, is somewhat new: Canada needs
16 and wants Canadian authors in inexpensive
17 paperbacks. We believe this is economically
18 feasible, if the great wastage method of
19 distribution which has developed in the United
20 States is not applied here. Methods have to
21 be developed, financially supported if necessary,
22 to get Canadian paperbacks not only into book
23 stores but into drugstores, supermarkets and
24 other mass market outlets. An area which
25 we feel very strongly about is government
26 publishing. We believe most government departments
27 should get out of publishing and I am sure
28 someone on our team will speak with a very
29 strong voice on that point.

30 As the other publishers know,



1 the very important point that our company and
2 our people, the point we have been making for
3 many years, is that Canadian taxpayers' money
4 which runs into many millions of dollars, should
5 be spent in Canada, either directly or indirectly
6 to Canadian publishers or Canadian publisher-agents,
7 and these are particularly funds which are spent
8 for university libraries, college libraries
9 and school libraries. If the Ontario government
10 had passed, or is about to pass a chicken and
11 egg bill which will ensure that Quebec's chickens
12 and eggs do not come into Ontario, surely, then
13 they must have the strength or the federal
14 government must have the strength to ensure that
15 books which are available in Canada are not
16 purchased outside this country. If the Canadian
17 taxpayers' money is spent purchasing books which
18 are available in this country on behalf of the
19 educational institutions, here I think one of
20 the main things that you can recommend is
21 that point: money should be spent in Canada.
22 It will be one of the most effective remedies
23 to overcome the difficulties which some of the
24 houses have and, in our own case, might very well
25 increase our dollar volume by 15 to 20 per cent
26 overnight.

27 Here are some of the benefits
28 if we spend Canadian taxpayers' money in
29 Canada: that income, the profit, and I believe
30 in profit in an aside, in 14 years that we have



1 operated, we have now shown a good profit 13
2 out of 14 years. The only year we didn't show
3 a profit was the second year when we were
4 making adjustments in the organization. If the
5 funds are spent here, income is available to
6 publish more Canadian books.

7 (2) To make possible the development
8 of the necessary, sophisticated wholesalers to
9 service these Canadian educational institutions.

10 (3) The greater volume and
11 income would help lower the price of books to
12 all Canadians.

13 (4) It will improve the great
14 loss we have now in the balance of payments
15 between Canada and the United States.

16 (5) It will employ hundreds of
17 more Canadians and this would be pertinent
18 at this time of unemployment. Canadian publishing
19 business is a high user of people. It is a
20 business which requires a lot of people.

21 (6) Spend the money here, even
22 if it costs a few cents more a book, but the
23 great benefit is we will increase the tax
24 revenue for both the federal, provincial and
25 local governments and it will help contribute,
26 particularly in Ontario, to that great 42 per cent
27 which the Ontario government has in its new
28 budget for education. If education is going
29 to spend money, spend it in Canada and get
30 some of it back.



1 Gentlemen, I think I will leave
2 it at that and others will comment and be
3 available for questions.

4 DR. JEANNERET: Mr. Stoddart,
5 you speak of yourself as a Canadian publisher-agent.
6 Just to put this in perspective, not to prove
7 anything, approximately how many titles do you
8 represent in your organization at the present
9 time, from your various principals? Would you
10 give a round figure?

11 MR. STODDART: Over 20,000 and
12 most of them are in stock.

13 DR. JEANNERET: How many original
14 Canadian books do you expect to publish this
15 year?

16 MR. STODDART: A minimum of 19
17 and more likely it will be closer to 25.

18 DR. JEANNERET: You were speaking
19 about the importance of supporting Canadian-owned
20 wholesalers?

21 MR. STODDART: Or wholesalers who
22 buy books from Canadian publishers and publisher-
23 agents.

24 DR. JEANNERET: That is the question
25 I wanted to discuss. To be a Canadian-owned
26 wholesaler, if he were buying a large portion
27 of the books he sold to Canadian libraries from
28 jobbers abroad ---

29 MR. STODDART: Yes.

30 DR. JEANNERET: How would you



1 propose, if one were moved to recommend any kind
2 of regulation, or legislation -- I am not
3 taking a position on that -- how would you
4 define a legitimate wholesaler or distinguish
5 him from what we would consider to be an
6 illegitimate one? It is almost impossible.

7 MR. STODDART: No, I think we
8 know which wholesalers in this country are
9 buying in Canada and which are importing. This
10 is no secret.

11 DR. JEANNERET: Yes, but how do
12 you write that into regulations? I am not
13 trying to write your regulations, but will you
14 have any answer to that at all?

15 MR. STODDART: I think the
16 directors of the Department of Education are
17 now giving instructions as to how money should
18 be spent in other provinces, essentially in the
19 Province of Quebec, they have definite specifications
20 laid down that it must be bought in the Province
21 of Quebec, as long as the price is within
22 10 per cent of what the outsider charges.

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1 DR. JEANNERET: You did not
2 participate in the discussion this morning although
3 perhaps you listened to it and the other side of the
4 coin obviously is the librarian's contention that
5 service is non-existent or or inadequate
6 or perhaps sometimes acceptable, but would you
7 comment on this service question as much as you
8 can from the standpoint of the person you are
9 giving the service to?

10 MR. STODDART: Yes, I think this
11 matter of service has been downgraded very
12 definitely in some quarters. As I say we have
13 relationships with publishers in New York,
14 Chicago and London and we have done some actual
15 research into service in all countries, and we
16 find that the library or the book seller in
17 Windsor is likely to get his books faster from
18 Toronto than the library or book seller in
19 Detroit will get them from New York or Chicago,
20 by actual time. I believe Al Knight has
21 information about London.

22 DR. JEANNERET: Are you talking
23 about libraries in general or are you grouping
24 them altogether or do you separate academic
25 libraries from public libraries?

26 MR. STODDART: As far as service
27 is concerned we try to give the same service to
28 all customers and it is not a case of one getting
29 books faster than the other.

30 DR. JEANNERET: You represent



1 20,000 titles. Just as a matter of interest how
2 many would you carry in stock normally?

3 MR. STODDART: We have over 20,000
4 titles in stock.

5 DR. JEANNERET: But those publishers
6 would have published substantially larger numbers
7 presumably in print?

8 MR. STODDART: Not a great number
9 more than that. When we carry a list in Canada
10 we carry it pretty fairly.

11 DR. JEANNERET: I am not trying
12 to prove anybody wrong or right, I just want to
13 get this in its right perspective, that is all.
14 I was terribly interested in your recommendation
15 that there be a study of the mass market paperback
16 distribution system in Canada and that there should
17 be some way found to overcome the restrictions that
18 exist now.

19 I was wondering if you would like to
20 enlarge or if you wish, do this in a separate letter
21 to us on the kind of study of the mass market
22 paperback distribution system in Canada which you
23 think would be profitable to undertake, for the
24 Commission to undertake. Such a study has been
25 under discussion.

26 MR. KNIGHT: We have made no
27 decision.

28 MR. STODDART: As you know, we have
29 started a mass market paperback program. This
30 program is based on a very solid list of mass market



1 paperbacks which we import which gives us the
2 base and the income to publish Canadian authors
3 in mass market paperbacks. We have started
4 this at the first of the year, we are buying the
5 rights in Canada, we are also buying rights
6 in New York and London. We have set up our own
7 system of distribution which is not basically
8 through the news jobbers because in Canada you
9 cannot afford the wastage, you cannot print 20,000
10 and destroy 8,000. It is not economically sound
11 and, as you know, this is the U.S. method
12 which is applied here with the present mass market
13 distributors.

14 We are using a more direct accounting
15 approach. We do not profess to sell 20,000. We
16 would rather sell 14,000 and do a printing of
17 15,000 and print 20,000 and sell 16,000.
18 So it is a more confined program that we have but
19 we are developing it. It seems to be working very
20 well. That is our experience.

21 DR. JEANNERET: These are your
22 paper jacks?

23 MR. STODDART: Paper jacks, yes.

24 DR. JEANNERET: Are the paper jacks
25 all Canadian?

26 MR. STODDART: No, they are not.
27 As I say, we are buying rights. The first right we
28 bought was from London.

29 DR. JEANNERET: Do you count the
30 paper jacks in that 19?



1 MR. STODDART: Yes, there will be
2 paper jacks in there.

3 DR. JEANNERET: So, you don't
4 have 19 Canadian authored books?

5 MR. STODDART: Not right at this
6 moment.

7 DR. JEANNERET: About how many
8 Canadian authored books do you have this year,
9 roughly?

10 MR. STODDART: I believe about 17
11 out of 19.

12 MR. KNIGHT: Only two of those
13 would not be Canadian.

14 MR. STODDART: I would like to make
15 a point, Dr. Jeanneret. We are doing something
16 absolutely new here. We were the first publishers
17 in the world to put The Sacred Mushroom and the
18 Cross in paperback. We beat the Americans and
19 we beat the British and we are doing this with a
20 number of books and we are publishing first in
21 Canada, in the world, on a number of international
22 titles.

23 DR. JEANNERET: On page 7 you
24 make a point which I think is worth keeping before
25 us because it has not been made very often
26 regarding subsidiary rights income not being
27 available to the Canadian agent. It is not the
28 first time it has been made but it is the first
29 time it has been made to the Commission and we
30 should keep sight of it.



1 Presumably this loss of access
2 to income should be reflected to some degree in
3 your purchase discount but not necessarily wholly.

4 MR. STODDART: No, I don't think
5 either the publisher in London or New York looks
6 at it that way. I think it is a straight economic
7 discount. No, I don't think subsidiary rights
8 are considered there.

9 DR. JEANNERET: You make a
10 suggestion on page 11 regarding special Canadian
11 editions for export. Of course, this has many
12 merits and it has been discussed. Could you tell
13 me how, under present legislation, -- and even
14 under anticipated legislation having regard
15 to the Economic Council of Canada Report -- you
16 could ever prevent such special low price
17 presumably Canadian editions turning back onto
18 the Canadian market? I don't know how you stop
19 that.

20 MR. STODDART: Well, I think we
21 look outside the country for examples here and
22 we know in the United States the Franklin edition
23 program, the government wants American books in
24 foreign markets so the Franklin program makes it
25 possible.

26 DR. JEANNERET: If you try to re-
27 import one of those into the United States
28 you will see what happens.

29 MR. STODDART: Well, if they can
30 stop it, can't we?

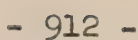


1 DR. JEANNERET: I am asking you
2 whether or not it would be possible under
3 present legislation to stop it?

4 MR. STODDART: Dr. Jeanneret,
5 I don't know. If there is not legislation I
6 think Canadians must start standing up for themselves
7 and put through legislation to look after their
8 own people.

9 DR. JEANNERET: Moving on to
10 another topic, at the top of page 12 you make
11 another recommendation that approval of textbooks
12 by the Ontario Department of Education should
13 occur without a final commitment of publishing
14 made. Once again, I am worried about the
15 possible exploitation of authors that this could
16 lead to. I would be glad to have your comments.
17 I am also worried as to whether or not it might
18 increase the proportion of second-rate offerings
19 that would be brought forward. In short, would
20 the quality of Canadian publishing conceivably
21 be upgraded if this were adopted?

22 MR. STODDART: No publisher in
23 Canada today can afford to publish low quality
24 if he has to compete with high quality. I have
25 never been able to understand why the Department
26 of Education has not set specifications for a
27 book just as they set specifications for many
28 other items and this is done in the States.
29 It is done in California, it is done in Texas
30 and many areas of the world.



MR. BLENKARN: This would not



1 necessarily mean that if it was submitted it would
2 have to be accepted that way. If it was someone
3 in whom a great deal of confidence could be placed
4 in which relative reliance could be shown, if
5 I could use a specific example, this sort of
6 difficulty would in fact be overcome in all
7 likelihood. We publish a group of books in the
8 field of home economics. Of the four titles
9 two of them are approved and on Circular 14.
10 The third one of them would similarly likely be
11 approved except for one offending chapter. This
12 did not meet the scrutiny of the committee.
13 If we chose to reprint the book it could, in
14 fact, I expect be resubmitted and quite likely
15 successfully. We know what is wrong with it,
16 the only difficulty is we end up with 10,000 in
17 our warehouse and it takes a while to sell those.

18 DR. JEANNERET: I think though
19 that you are abridging the actual selection
20 procedure inspection certificate and surely
21 your whole manuscript could have been discussed,
22 reviewed and gone over with the department and
23 probably was before you proceeded to publication.
24 Was this offending chapter discovered subsequently?

25 MR. BLENKARN: Yes. There is no
26 specific record in the files of criticism that
27 was eventually directed to this particular portion
28 of the manuscript.

29 DR. JEANNERET: One other question
30 and that is in regard to your Book Service of



1 Canada, you use it as an example. You make a bit
2 of a virtue and understandably of the fact that
3 the Book Service of Canada permits the customers
4 of your several companies to order from one source,
5 run one set of accounts and pay one bill. Now,
6 under what circumstances do you think that a much
7 larger degree of consolidation, even among
8 competing firms could properly be worked out?

9 That is to say, could the total fulfilment service
10 of many firms not be usefully consolidated leaving
11 the critical editorial functions perhaps also the
12 sales function are in their separate offices?

13 In short, why on earth should there be more than
14 one computer operating in the Canadian publishing
15 industry in Toronto?

16 MR. KNIGHT: There is no reason.
17 The only objection I could see is if you
18 were to carry every book that is available in
19 Canada in one warehouse, that would be an
20 operation.

21 DR. JEANNERET: What do you do
22 when you have 70 warehouses or 43 warehouses
23 with probably 20 or 30 computers and the others
24 wishing they had them?

25 MR. KNIGHT: I see no reason why
26 somebody, maybe the Publishers' Council, maybe
27 the National Library in Ottawa or somewhere else
28 could not find a centralized computer system
29 but when you get to the actual physical handling
30 of all those books the size in itself becomes a



1 problem -- the number of titles becomes a problem
2 and you would have warehouses --

3 DR. JEANNERET: Almost as big as
4 McGraw-Hill central warehouses in the States?

5 MR. KNIGHT: Much bigger. McGraw-
6 Hill are carrying a limited number of titles.
7 The total of small numbers of a lot of titles --
8 I will give you, for instance, we have in stock --
9 and this goes back to an earlier point also --
10 any book that we can sell two copies of a year
11 we will carry at least one copy of that book in
12 stock and proportionately higher if we sell more
13 copies.



1 If you did that for every book
2 which was being sold in Canada, you would have
3 literally thousands, if not millions, of single
4 copies in stock, warehousing control and that
5 would be a nightmare.

6 DR. JEANNERET: I don't follow the
7 distinction between doing it centrally and doing
8 it without any coordination at all. Perhaps
9 we should not pursue this now, but I would like ---

10 MR. KNIGHT: There was one other
11 point. I can see virtue in a central warehousing
12 operation for the smaller Canadian publishers,
13 bringing all of them together in a central
14 warehouse. If you brought all of these together
15 into one central warehouse, that would seem to
16 make sense.

17 DR. JEANNERET: Then you would have
18 to define your terms as to what is small and so on.
19 You might decide you could make do with a
20 few medium ones too.

21 MR. KNIGHT: Yes.

22 DR. JEANNERET: I have no
23 further questions.

24 MR. STODDART: Mr. Chairman, I
25 hoped you might touch on the area of cataloguing.

26 MR. CAMP: I was coming to that.

27 MR. STODDART: This is a new
28 area that is being introduced and it is very
29 important.

30 MR. CAMP: Perhaps my question will



1 allow you to go on to say what you want to say.
2 Please just generalize. The problem of
3 service insofar as the librarians are concerned,
4 begins with the catalogue and I think the assumption
5 has been made by more than one party there
6 that the cataloguing by, they said, the American
7 jobbers, was far superior to the cataloguing done
8 by Canadian publishers or Canadian publisher-agents
9 or Canadian publisher-publisher-agents. I would
10 like to have your observations on that and,
11 as well, whatever else you were going to say
12 when I interrupted.

13 MR. STODDART: I would ask our
14 expert in this area.

15 MR. RATCLIFFE: Part of the
16 answer is that we have not got the standardization
17 that they seem to have in the States. We have
18 not got the Library of Congress, for one thing,
19 nor have we got the Library Journal.

20 MR. CAMP: What?

21 MR. RATCLIFFE: The Library
22 Journal providing a catalogue of the books we
23 have in Canada. We think that there is need
24 for some central guidance here and perhaps
25 the federal government or the National Library
26 could try to bring together the parochialism
27 and ramifications of cataloguing. We have
28 many, many different standards of cataloguing.
29 We have many systems and I don't know of two
30 librarians who do it exactly the same. This is



1 a problem and we should attempt to solve it
2 and, if you like, bang heads together and
3 we must accept a certain standardization of
4 methods. If we had a standard, it might be
5 possible for publishers, amongst others, to
6 contribute to these by either cataloguing the
7 source of the actual book or contributing
8 material to a central authority such as, perhaps
9 the National Library for this cataloguing of
10 Canadiana, particularly to be done centrally
11 and simply. At the present time in the Library
12 of Congress, Canadiana is not readily available.
13 They take it as a Cinderella in this respect.

14 MR. CAMP: So with regard to this
15 service problem you admit to the legitimacy
16 of the complaint?

17 MR. RATCLIFFE: I think it is
18 very legitimate and I think it is very difficult
19 for any single publisher to do anything about
20 correcting this problem. I think this is
21 one of the major factors why libraries might
22 buy, particularly in the U.S., because it is
23 convenient to catalogue them in this way. Even
24 further sophistication in the acquisition
25 procedures, such as large-scale computer application
26 programs which are available in the States
27 whereby the librarian specifies a specific
28 profile of acquisition interests and expects
29 the company with whom he is dealing to research
30 every one of 20,000-odd new titles that are



1 published every year to provide them with
2 information in your own specific field. This
3 type of computerization costs a great deal of
4 money and again, I think we would have to look
5 to a central agency to provide some of this
6 money to enable a program or set-up like this
7 within Canada where the purchasing of books
8 would then accompany it.

9 MR. CAMP: Under present conditions
10 this disability is not possible even with
11 regard to Canadian titles.

12 MR. RATCLIFFE: Yes, indeed.
13 There is a cooperative system operated by
14 countries of the world to provide this
15 information on their titles, but again we
16 are not getting this simply at the present
17 time on Canadiana. I think there are two
18 separate problems, one being the centralizing
19 and standardizing of cataloguing and the other
20 being the provision of a sophisticated acquisition
21 program.

22 MR. CAMP: We have heard before
23 various proposals with regard to legislating
24 for Canadian ownership. You have a proposal on
25 page 11 and I have a few questions about it.
26 You say:

27 "Foreign book publishers wishing
28 to set up business in Canada . . ."
29 I take it you don't want to make such
30 legislation retroactive?



1 MR. STODDART: I would think not.

2 The publishers who are here have proved themselves.
3 I don't think we should always keep the door
4 open as wide as it has been. Spain, Mexico and
5 Sweden, are able to control this kind of thing
6 without loss of companies entering their markets.

7 MR. CAMP: You recommend they
8 make at least 51 per cent ownership available
9 to Canadians. The provision is to make it
10 available and it may not be taken up.

11 MR. STODDART: I am optimistic
12 that Canadian capital is available. Reading
13 a report here just recently, it would indicate
14 that the whole need for capital in Canada --
15 this is from the Survey of Current Business
16 and it shows that in the field of
17 investments locally 80 per cent -- and Canada,
18 even more startling new funds from the United
19 States amounted to only 10 per cent in 1963
20 and only 4.8 per cent in 1968.

21 I am very optimistic Canadians
22 will invest in Canada given the opportunity.

23 MR. CAMP: Well, your introductory
24 remarks, Mr. Stoddart, were certainly different
25 in tone to your outlook on the publishing
26 industry as are noted in your brief. You do
27 say the book publishing industry should be
28 considered a depressed area.

29 MR. STODDART: It is to be
30 considered a depressed area. That is what everybody



1 has been saying. I am not saying it is a depressed
2 area.

3 MR. CAMP: You say it should be
4 considered as one.

5 MR. STODDART: If it should be
6 considered, that is the question.

7 MR. CAMP: Do you think it should
8 be?

9 MR. STODDART: Everything is
10 relative. Judging from our own firm, I would
11 say no, but from an industry average, possibly
12 it is.

13 MR. CAMP: One more matter of
14 interest to me, two, as a matter of fact.

15 You say:

16 "Get Government Departments Out
17 of Publishing."

18 But at the same time and this is not necessarily
19 contradictory, that you would like to get
20 Information Canada into publishing in time and into
21 translation. How many titles do you have in
22 French?

23 MR. STODDART: At the present
24 time I think we have cleaned them all out. We
25 had a bad experience. About 12 times we had
26 this with French.

27 MR. BARRETO-RIVERA: 80,000
28 copies, or something.

29 MR. CAMP: These were Canadian
30 paperbacks?



1 MR. STODDART: We published in
2 cooperation with a French firm.

3 MR. CAMP: So the titles were
4 imported?

5 MR. STODDART: Yes, they were
6 imported.

7 MR. BLENKARN: May I comment
8 on this? The school book market, certainly
9 as well as the trade, we do in fact have a
10 number of our textbooks on list in the Province
11 of Quebec. We, in fact, do have an expression
12 of interest from the Province of Quebec in
13 listing French versions of these textbooks.
14 They happen to be in the field of technical
15 education. We would be more than pleased to
16 be able to prepare French-language versions
17 but so far we can see no way of beating the
18 costs that are involved in the marketing system
19 that would be available. Therefore in order to
20 get this cross-cultural assist, there
21 has to be some form of translation service
22 available, possibly through some national office
23 is the best way to provide it.

24 There are relatively few French-
25 Canadian novels available in English versions
26 and, strangely enough, we have one English
27 children's book coming to us -- sorry, one English
28 version of a French-Canadian children's book
29 that was a prize book -- it won a prize at
30 the Canadian Library Association and a French prize



1 on publication and it was published in its
2 English version in England. In terms of
3 Ontario's new Circular 15, which will devote
4 itself to Canadian books, this will not be
5 considered a Canadian book, so even those
6 translations that do occur, seem to offer little
7 chance of meeting Canadian conditions.

8 DR. JEANNERET: Have you in fact
9 applied for translation assistance and been
10 refused?

11 MR. BLENKARN: Where would one
12 apply?

13 DR. JEANNERET: Canada Council.

14 MR. BLENKARN: I am not aware
15 Canada Council has ever given a grant to anyone
16 for translation of a textbook.

17 The one specifically I
18 am thinking of is a Canadian textbook in
19 drafting, for example, and the others are
20 very distinctly textbooks. We feel if there is
21 a purpose to be served in applying, we will
22 gladly apply.

23 MR. CAMP: That reminds me
24 of another question associated with this.
25 You say there is a feeling in the book publishing
26 industry that a small "in" group controls the
27 Canada Council Grants program. Could you
28 enlarge a little on your feeling in that?

29 MR. STODDART: Mr. Knight
30 has had some experience in that.



1 MR. CAMP: I don't know where
2 that takes us or what it implies.

3 MR. KNIGHT: I think what it
4 implies is that in the past there has been a
5 small group -- I think it has changed this
6 year. I understand the structural selection
7 for the Governor General's awards this year,
8 for instance, has changed. It is very difficult
9 to get evidence on this. We have applied for
10 several grants from the Canada Council. We
11 have never, let us say, got to first base on this.

12 MR. CAMP: You have applied as
13 publishers?

14 MR. KNIGHT: As publishers and
15 we have also had authors apply as authors and
16 I think their reply in every single case was
17 "This is a commercial publishing possibility,
18 therefore, we are not making a grant". Yet
19 other books published by specific publishers
20 which are, to my mind, just as commercial,
21 have received Canada Council grants. I don't
22 know -- there is a lot of this back room chat.
23 I can't come up with any specific evidence to
24 say this, except things that have happened.
25 If you are asking me for evidence, I haven't
26 got it.

27 MR. CAMP: Well, I get a
28 lot of recommendations but one of them seems
29 to be that we should get people to be more
30 open-minded, unless you understand clearly what the



1 problem is.

2 MR. KNIGHT: It is a difficult
3 criticism because what should the Canada Council
4 do? What should be their function? Basically
5 they are right in the sense that a trade book
6 should find its own level in the market. You
7 know, the market should determine whether it
8 should be published. There are specific books
9 of cultural interest which do not have a
10 large enough market, which the government or
11 someone else feels should be published. I
12 agree basically with this approach.

1 I would disagree with this and to echo the previous
2 gentleman at this table, the less the government
3 gets into this, the better.

4 MR. CAMP: Assuming though that
5 the government got into it in one way or another
6 and we were able to persuade librarians to dis-
7 courage the practice of purchasing from outside the
8 country which would give to the Canadian publisher
9 or publisher agent special status, would you still
10 say as you did say -- did you say that buying
11 from Canadian agents would cost a few cents more?
12 Why would that be so and is it necessarily so?
13 The other question is, what do you mean by a
14 few cents more a copy -- a few cents more per
15 dollar?

16 MR. KNIGHT: Maybe I can illustrate
17 that. I think it could cost a few cents more.
18 On the other hand, I think it could cost a few
19 cents less. I had an experience, I was out on the
20 West Coast last September talking to one of the
21 larger groups of public libraries on the West Coast
22 and during the discussion they said that they bought
23 all their English books from a book seller in
24 England, a retail book seller. I suggested that
25 we could supply him with the books at the same,
26 if not a lesser, cost than what he was buying them
27 at in England.

28 When I got back to Toronto I wrote
29 him a letter giving him the proposal proving that
30 he could buy his books at 10 per cent less from us



1 than he was getting them at from England. I
2 never got a reply to that letter, I followed up
3 with two more letters, two follow-ups. In fact,
4 I haven't heard a word since then.

5 One of the things that came up during
6 our discussions at that time was the fact that
7 every year one of the members of the library made
8 a trip to London and he would be in great trouble
9 with his staff if he started buying his books in
10 Toronto.

11 MR. CAMP: He would be in great
12 trouble with whom?

13 MR. KNIGHT: With the members of his
14 staff.

15 THE CHAIRMAN: We had already reached
16 that conclusion at this end of the table.

17 MR. BLENKARN: May I contribute to
18 this? I have here a letter which, if I may, I
19 will pass to the Commission as a confidential letter.
20 It is from a librarian and was to one of the
21 English publishers represented Canada. She says:

22 " I am a Canadian Secondary School
23 Librarian who is planning to come to
24 England this July to purchase books.

25 May I buy directly from your
26 company?

27 Do you have a book stock display from
28 which I may personally select the books I
29 want?

30 Do you have lists (preferably annotated)



1 " of books which are suitable for
2 Secondary Schools?"

3 And then she simply lists the type of books she
4 is interested in.

5 " If you have such lists, it would be most
6 helpful to me to have them before I
7 leave Canada.

8 I would appreciate any help you
9 can give me."

10 Of course I wrote a fairly lengthy reply that we
11 had the books in stock and this publisher's books
12 were available.

13 MR. CAMP: So, you are saying it
14 is not a matter purely of purpose?

15 MR. KNIGHT: There are purposes
16 involved. We have had this discussion many times
17 over the last 12 or 13 years with librarians and
18 they tend to hammer you on service until you prove
19 you can get the books to them faster and they
20 hammer you on price until you can prove you can
21 come up with a lower price and then they say,
22 "Well, we can't do that we buy all our books from
23 a central source."

24 MR. BARRETO-RIVERA: This has been
25 my experience with university libraries throughout
26 Canada, that the price elsewhere is cheaper.
27 We might have better service but if they are getting
28 the same product for a cheaper price or the thing
29 gets turned around and it is "We can get a better
30 price from you but the service is no good."



1 I think there is a lot of nit-picking and I think
2 that this nit-picking can go on endlessly from
3 all sides of the fence but I think the important
4 fact to be considered all the time is to think
5 of all the Canadian money that is really leaving
6 the country which could be used to build the kind
7 of service which librarians so much desire.
8 In fact, I believe -- this is something I can't
9 prove with figures right now but in the long run,
10 in a 10 or 15-year long run, we will have probably
11 very competitive prices for those situations where
12 librarians feel they can get the same product
13 cheaper elsewhere.

14 DR. JEANNERET: I think it is
15 incumbent upon you, I think it is still your
16 responsibility to prove that you can deliver the
17 books and that other Canadian publisher
18 agents like you can do so as well.

19 MR. BARRETO-RIVERA: I think we can.
20 We keep in stock at all times 40,000 titles.
21 This may be an issue for the industry as a whole
22 but I think that to get the other companies involved,
23 the other Canadian companies, to be able to supply
24 better service there has to be a little bit of belt-
25 tightening in terms of at least moral support.
26 You can't sort of expect -- well, this is a large
27 country with a small population, publishers to
28 give service as well as American jobbers right now
29 but the question, I think, is one of long-term
30 support so that we can get this service that is



1 desired here.

2 DR. JEANNERET: Do you know how sordid
3 the actual case histories are when you start to look
4 at them? They usually begin with no reply, no
5 report.

6 MR. BARRETO-RIVERA: Is this your
7 experience at your own place?

8 DR. JEANNERET: We have heard this
9 constantly. I am not taking the position, I am
10 simply saying this is the problem.

11 MR. BARRETO-RIVERA: There is quite
12 a lot of truth to some of these statements but I
13 have also had a lot of statements from the same
14 people who complain about Canadian publishers
15 with a foreign owner. I find a lot of complaints
16 about agencies like Richard Abel, Maitland's,
17 about their service.

18 Now, I know for sure that they
19 can decide better which is the better service.

20 DR. JEANNERET: But there are many
21 options open to the library purchasers?

22 MR. BLENKARN: Dr. Jeanneret, I
23 think it should be on the record that as far as we
24 are concerned I believe our service is good
25 personally and I travel a great deal. I have
26 not had much in the way of complaint of the service
27 we supply.

28 DR. JEANNERET: Nothing I am saying
29 is to imply that your service is not good but you
30 have to think of the industry as a whole.



1 MR. BARRETO-RIVERA: I am thinking
2 of the industry as a whole. That is what we
3 are getting at, that even if other companies in
4 the country do not have as good a service as we
5 do the only way they can get it is by getting the
6 support of Canada's taxpayer dollars.

7 MR. STODDART: Mr. Chairman, may I
8 comment? While possibly publishers do not always
9 answer the mail as quickly as they should, on the
10 other hand, I think if any of you gentlemen tried
11 calling on some of the university libraries and
12 got the sort of a snub that all the persons represented
13 here get when they are trying to sell books to
14 university libraries, in many cases, one right here
15 in this town, the head librarian just would not see
16 our college people or any of us and just made the
17 flat statement that "We buy our American books in
18 the United States and we buy our British books in
19 Britain, we buy our German books in Germany" and
20 I suppose if they want South African books they
21 send down there for them, too.

22 I know the Commission is not, but some
23 people are implying that it is mainly a matter of
24 publishers' service. I think you must realize that
25 in the college libraries today there are many people
26 who are trained on American purchasing and American
27 service and they just automatically will not give
28 us a chance to try. I think that is a fair
29 statement.

30 MR. BARRETO-RIVERA: As a matter of



1 fact I think I should add a point, that there are
2 many librarians in Canadian universities who are
3 American.

4 MR. BLENKARN: And a national
5 catalogue service would help immeasurably the
6 Canadian publisher in one aspect of bad service
7 that is borne out over and over again and this is
8 the no-Canadian rights designation.

9 One librarian recently told me that
10 her books will be ordered in the States because
11 she is not bothered by no Canadian rights. It
12 doesn't matter whether in fact there are Canadian
13 rights for the edition that is held by the
14 particular jobber. The books are shipped into
15 Canada anyway, regardless of the original contract
16 and whether we may hold the rights even if it
17 is for an English edition. So that the librarians
18 in fact get service that they should not get by
19 law, really. The copyright might probably be upheld.

20 Now, the agreement on rights is for
21 every book that is published in England or the States
22 and somebody has to issue a report. It is
23 incredibly difficult to get accurate information
24 from the originating publisher concerned as to
25 who does own the Canadian rights. Our own efforts
26 have been reasonably strong and our current
27 publisher's catalogues do list rights where we know
28 them to be available.

29 I think an increasing number of
30 Canadian publisher agents are, in fact, doing the



1 same thing.

2 THE CHAIRMAN: Mr. Stoddart, you
3 and your colleagues obviously have produced an
4 enormously interesting brief and have answered
5 questions of my colleagues quite well. That is
6 not to say that I won't be able to ask one or
7 two questions on this situation. You might be kind
8 enough if you will to let us have in a letter
9 which you might like to be confidential, some
10 amplification of the statement you made about being
11 snubbed and what universities they were. We
12 would like to have that information because it is
13 becoming more and more germane to us as we move
14 through these proceedings.

15 I might also say that from my
16 personal point of view I commend you on your brief.
17 It is always refreshing in these proceedings to find
18 the positive approach taken and I think you should
19 be commended for the things that you are doing in
20 a positive way and for the many recommendations which
21 you have given to us.

22 In connection with the depressed area--
23 Mr. Camp raised that question-- I would refer
24 you to the references on page 10 which may be of some
25 use in explaining that aspect. On page 10 you
26 say:

27 " Low Cost Development Funds. Certain
28 areas of Canadian publishing which need
29 development should have available low cost
30 development funds. In areas where



" foreign publishers have advantages over Canadian firms in the matter of financing, then the low cost development funds should be made available to make Canadian firms competitive."

Now, I might say that without exception, but with one or two exceptions, every brief has enunciated this proposition. The gentleman who preceded you, Mr. Heine, took the opposite position but aside from this I think just about everyone has. If you go down to the bottom you say:

" Incentives for Depressed Areas of Industry. If the Province of Ontario believes in the policy of making loans, and sometimes forgiveable loans, to assist depressed areas, then we believe the Book Publishing Industry should be considered a depressed area and similar incentives and concessions should be made to this industry, even though it is centred in Metropolitan Toronto."

I imagine there your reference is to the regional economic expansion departmental program which classifies certain areas as being depressed, including Montreal. This is your reference to Metropolitan Toronto?

MR. STODDART: We do not wish to be quoted on Montreal.

THE CHAIRMAN: That is already looked after, someone else has made it a depressed area, as far as Mr. Marchand is concerned, we can't make



1 any reference to that.

2 " In areas where foreign publishers have
3 advantages over Canadian firms in the
4 matter of financing, then the low cost
5 development funds should be made available
6 to make Canadian firms competitive."

7 What areas do you think foreign publishers have
8 advantages over Canadian firms in?

9 MR. STODDART: I would think there
10 are many areas. If you are doing a series in
11 practically any subject it would run into \$200,000
12 very easily and the markets being smaller here,
13 that kind of investment is much more difficult.
14 I would say that very large American-owned
15 corporations do have reserves to call upon, they
16 do have credit files which can be established
17 through their head office. We established our
18 credit files with the bank entirely on our own
19 initiative. It is very different from a very large
20 successful New York office. I think in the area
21 of mass market paperback publishing we are competing
22 in a very difficult matter, to compete with the
23 American mass market paperback publishers who can
24 do the printing of a quarter of a million copies
25 without any difficulties whereas we are printing
26 10,000 to 20,000 for our market to start with.



1 It is that kind of relationship
2 of figures to costs, but I do think that we can
3 in this country, do mass market paperback publishing
4 and it might be an area worth the consideration
5 for development. We are going to develop it
6 ourselves on our own income, but we will develop
7 it much faster if, well, as an example, a
8 no interest or low-interest loans are supplied.
9 We are not asking for them, but if they are
10 made available to publishers, don't be surprised
11 if we jump in and use them and move faster.

12 THE CHAIRMAN: We would not be
13 surprised (laughter). That is a recommendation,
14 I take it, on your part. What position do you
15 think the Canadian publishers of paperbacks,
16 such as yourselves, are in in relation competitively
17 to the United States when the United States, on
18 an overrun, or whatever their publishers are
19 printing, they just push it through and the
20 spill-over comes into this wide-open
21 market? What is your competitive position to
22 gain access to the American market in return?

23 MR. STODDART: Very little,
24 because the mass market paperback program is
25 based on best sellers and name authors and
26 series of books. If we bought the rights to
27 The Sacred Mushroom and the Cross for a Canadian
28 edition, under no circumstances at this time would
29 we buy the rights for the American market because
30 the book would be sold in hard cover editions and



1 that includes the paperback and the American
2 publisher would not buy, as it did, the rights
3 from England of the hard cover without the
4 mass market clause in the contract.

5 THE CHAIRMAN: I don't want to
6 give Dr. Jeanneret a hard time, or anyone else,
7 but I am going to ask you a question in that
8 direction. What would the ramifications be
9 if legislation existed in Canada, which would
10 limit the number of paperbacks which could be
11 imported into Canada, notwithstanding customs
12 duty -- just a limit on the number of paperbacks
13 that could be imported from the United States
14 of any one title? Supposing it was 5000, what
15 would the ramifications for Canada be?

16 MR. STODDART: I think the consumer
17 would be screaming to every Member of
18 Parliament that they didn't have the right to
19 buy the books they wanted to buy.

20 THE CHAIRMAN: I am just asking.

21 MR. STODDART: I would not ask
22 for this kind of protection. We would expect
23 to be competitive, but we are at a disadvantage
24 now. I think most Canadian publishers
25 are at a disadvantage. Give us even competition
26 and I have confidence in Canadian publishers
27 to more than take their place in the Canadian
28 market.

29 THE CHAIRMAN: What about access
30 to the American market?



1 MR. STODDART: That would develop
2 through the hard cover program or quality
3 paperbacks. We, at the present time are
4 working with one of the outstanding research
5 centres in the Province of Ontario publishing
6 books with them and we fully expect to export
7 the three titles we are already publishing with
8 them. We have the rights to do this and have
9 got full rights on them and we already have
10 readers in the United States and Britain on
11 these books.

12 THE CHAIRMAN: I appreciate
13 your responsiveness to the question I asked.
14 I note just in passing, Mr. Knight's observation
15 about one section having to do with translation.
16 He said "The less the government gets into
17 this the better". I note, and I think my
18 colleagues have noted as well, that your brief
19 is like most others where you encourage on the
20 one hand the government getting into certain
21 facets and the government stay out of the other.
22 Do you think that it is possible to construct
23 or make recommendations which invite the
24 participation on the one hand and stay out of
25 it on the other? Do you think it is possible
26 to build a fence and then walk down it?
27 Do you think this is what we should be looking
28 forward to doing?

29 MR. STODDART: I think we have
30 to look to see what is happening in other places

1 than the United States. The great research
2 programs which are financed by the American
3 government are not copyrighted in the name
4 of the American governemant, but that research
5 information is made available to all American
6 publishers and published commercially. In
7 Canada the government has research programs
8 and then the material is not available to
9 publishers to use. This is what gets the
10 government into publishing. This building here,
11 I am sure they are publishing books which
12 would never be published if they were not
13 subsidized and if they had to really answer
14 for their budget on those books. CBC does
15 the same thing. The Queen's Printer, the
16 other night on the Don Sims Show I listened to
17 a group of people from the Queen's Printer --

18 THE CHAIRMAN: Which Queen, the
19 federal or Ontario?

20 MR. STODDART: The one person
21 said "What is your best seller now?" and he
22 said "Winemaking" and he said "I guess it is
23 a best seller because we give it away". Why
24 should the government of Ontario be subsidizing
25 a book on winemaking when there are already a
26 number of books on winemaking in this country,
27 including Canadian titles. I say the government
28 should stay out of publishing, but I can live
29 with the fact that the government is creating
30 a lot of these situations which make it difficult



1 for publishers to live today.

2 MR. BARRETO-RIVERA: I think the
3 point is that the government can support
4 publishing but stay out of publishing itself
5 as a marketing operation. I think you will find
6 in institutions like this one here, to follow
7 up what Mr. Stoddart has been saying, will
8 offer books to publishers, you know, and say,
9 you know, "We would like to publish this book",
10 and a commercial publisher might say on the
11 other hand "That book does not have any
12 commercial possibilities, it is not profitable".
13 Therefore they take the book back and say
14 self-rightously "What is the point of offering
15 these books to publishers when they are not
16 interested" and go right ahead and subsidize
17 themselves from their own budgets and publish
18 these books. I submit that if these institutions
19 were to offer the same subsidies to commercial
20 publishers that they give themselves, that
21 we would be supplying a service for these
22 institutions and government departments
23 which we can do much better for them, and it
24 would be also a tremendous help to the exportation
25 of Canadian books.

26
27 MR. KNIGHT: May I go back to
28 that earlier statement? I must say I am
29 talking personally now and I may be in disagreement
30 with my colleagues.



1 THE CHAIRMAN: Very well.

2 MR. KNIGHT: On a personal
3 opinion on the seeming contradiction between
4 publishers wanting government money and not
5 wanting any government interference, I have
6 a personal feeling about this. I have never
7 liked any sort of pork barrel publishing
8 control because, to my mind the person who
9 controls the money controls the end product
10 just as much as a U.S. head office publisher
11 would control his Canadian subsidiary, for
12 the government making money available to a
13 publisher would basically control what that
14 publisher can do, depending on the involvement.
15 Books are probably the only form of expression
16 that is free of any interference of any kind.
17 Newspapers, magazines, television, are all
18 dependent on advertising or some sort of
19 government control. Books, up to now, have
20 been purely in the hands of the market and
21 the market determines what is published
22 and enough capital available to the publisher.
23 Personally I should hate to see that interfered
24 with and if it came down to a choice between
25 having government money available, plus
26 government interference, I would prefer to
27 have neither because I think in the long-run
28 it will destroy publishing as such, but that
29 is a personal opinion.

30 THE CHAIRMAN: I quite understand.



1 DR. JEANNERET: You would like
2 government funding with no interference.

3 MR. KNIGHT: I think that is
4 a different matter. When you are coming down
5 to spending of government funds, there should
6 be a regulation to control them because the money,
7 and not necessarily the government's money, but
8 the money should be spent within the country where
9 the books are being purchased. Ontario should
10 control the spending of the money that the
11 Ontario government has taken from the taxpayers putting it
12 back into industry as soon as possible.

13 THE CHAIRMAN: I have three
14 very brief questions because we are much overtime.
15 What percentage of your revenue comes from
16 publisher-agency activities and your other
17 activities as such?

18 MR. STODDART: We will check
19 that out and give it to you.

20 THE CHAIRMAN: We would appreciate
21 it. How many Canadian-authored titles do you
22 have?

23 MR. KNIGHT: It is difficult
24 to say. It is about around 60 but we would
25 have to check it.

26 THE CHAIRMAN: Do you have a catalogue
27 which you offer?

28 MR. STODDART: We sent in
29 catalogues with our brief.

30 THE CHAIRMAN: All right. Thank



1 you very much indeed. You have been most
2 helpful.

3
4 -----

5
6 SUBMISSION OF SCHOLASTIC TAB PUBLICATIONS

7
8 THE CHAIRMAN: Now, Mr. McMaster
9 of Scholastic Tab Publications Limited. Mr.
10 McMaster, would you kindly do the usual and
11 touch on the high points, and then we will have
12 a discussion with you.

13 MR. McMASTER: Thank you, Mr.
14 Chairman.

15 The main point that I attempted
16 to demonstrate in my brief was that foreign-
17 owned companies such as ours have made and can
18 make a contribution to the Canadian publishing
19 scene. I suggested that it was important to
20 view publishing in terms of titles, rather
21 than in terms of books, if you will, that each
22 title was a specific kind of product and that
23 assessments must be made not in terms of overall
24 sales dollars but, rather, in terms of numbers
25 of titles.

26 Since this was my first dealing
27 with a Royal Commission, I didn't know whether
28 it would be appropriate for me to make recommendations.
29 There are, nevertheless, some implicit in
30 my presentation. One, that I would hope that



1 there would be no restriction to the free development
2 of foreign-owned publishing subsidiaries in
3 Canada and two, that something might be done
4 about investigating and developing technology
5 that would make small press runs possible in
6 Canada because it seems to me that the central
7 problem is our small market. Thirdly, that
8 we take into account the need to expand that
9 market by encouraging book ownership, which
10 I presented as a virtue on behalf of our company.
11 That is what I think we are doing with young
12 people in Canadian schools through our paperback
13 book club programs.

14 THE CHAIRMAN: Very good.

15 DR. JEANNERET: Do you find
16 much correlation, Mr. McMaster, really, between
17 the importation of books and the original
18 publishing of Canadian books, that is to say,
19 by the big importers. the big Canadian
20 publishers necessarily and is there any way
21 to connect the two influences up? You imply
22 that the one has to depend on the other, but
23 they don't necessarily run together, do they?
24 In fact you can name every extreme. You
25 could name importers that have not published
26 a Canadian book in years.



1 MR. McMASTER: I think that is true.

2 We certainly have done very little Canadian
3 book publishing. We have concentrated our energies
4 on the selling of the products of our parent
5 company. In the early years of our company I had
6 a distressing experience with Canadian publishing
7 and I will go into it if you wish me to but that
8 made me wary, if we were going to conduct a
9 successful business of going too heavily into the
10 publishing of Canadian titles until I had built
11 a base.

12 DR. JEANNERET: The reason I raised
13 it is that you make the point that the practice of
14 buying around that could assist in developing a
15 creative effort in publishing more original titles
16 and it just doesn't follow necessarily that they
17 will publish more.

18 MR. McMASTER: No, not that they will.

19 DR. JEANNERET: Speaking generally,
20 you would agree wouldn't you, that from the standpoint
21 of your parent house a sale of 10,000 or 50,000
22 as the case might be, or even 100,000 copies of
23 a particular title in Canada, will be infinitely
24 profitable or a great deal more profitable if
25 that book is a run-off ~~to~~ of the United States edition
26 than if it was something you originated specially
27 in this country?

28 MR. McMASTER: That is true.

29 DR. JEANNERET: We seem to be working
30 over ideas and I don't want to take unnecessary time



1 doing it but you are raising some of the points
2 that have been raised before. We are glad to get
3 your views on them but I will only ask those
4 questions where it is important.

5 What do you mean, and what measures
6 have you in mind when you say on page 5:

7 " This company would welcome any positive
8 measures that might be taken to encourage
9 the growth and development of those
10 houses."

11 MR. McMASTER: I have what I consider
12 one measure that I think would be rather radical
13 because as a Canadian I am interested in the growth
14 of Canadian houses. I would like to see some
15 compensation to Canadian publishers, that is,
16 Canadian-owned houses and perhaps to a lesser
17 degree foreign-owned houses for Canadian books
18 in this manner, not so much loans to those companies
19 but by actual recompense from the national
20 government for Canadian books purchased by libraries
21 and my reasoning for that is this, that the library
22 sale automatically tends to keep the market small,
23 perhaps 5, 10, 100 people will read the book
24 when it is in the library and that deprives the
25 publisher of certain revenues that he could have
26 if there were no libraries and he could sell to
27 those 5, 10 or 100 people.

28 It also deprives the Canadian author
29 of royalties and it seems to me that if publishing
30 is in the national interest then it is the concern,



1 or should be the concern, of the federal government
2 not to get into the administration of libraries
3 which are, I think, under provincial jurisdiction
4 but to simply make an outright payment for every
5 Canadian book that is purchased by a library
6 back to the publisher.

7 DR. JEANNERET: Is this a droit de
8 payant which we have touched on two or three times
9 which is recommended in England and which is a
10 standard principle and which I believe would to some
11 extent look after the photocopying problem of the
12 library?

13 MR. McMASTER: I think it will.
14 In that connection I would like to suggest that
15 some urging be made to the Dominion Government
16 or the Federal Government, whichever is appropriate
17 now, to urge the National Research Council to
18 create an offensive or a defensive weapon rather,
19 against the offensive weapon of photocopying.
20 I don't know whether it would be technically feasible
21 to develop a paper that could not be photocopied
22 but it seems to me that it is an area of research
23 that might well be looked into.

24 DR. JEANNERET: A lot of money has
25 been spent, as you know -- maybe you don't, but it
26 has.

27 MR. McMASTER: By the National
28 Research Council?

29 DR. JEANNERET: Not N.R.C., no.
30 I will ask one more question and I am asking this of



1 you, Mr. McMaster, because of your wide-ranging
2 experience in Canadian publishing, Copp-Clark
3 and elsewhere in the past. I would like to know
4 why -- your thoughts on this -- why the Canadian-
5 owned subsidiary of a foreign publisher normally
6 does interest himself in original Canadian publishing
7 in this country at all instead of only selling
8 the books of his parent firm. I presume that it
9 is fair to say that it is because this is the only
10 way to overcome regional preferences in the
11 adoption and purchasing of books, patterns of
12 regional purchasing preferences. Now, if this
13 is so -- and it may not be so -- but if it is so,
14 doesn't it equally follow that the Canadian
15 subsidiary is going to have every motivation in the
16 world for seeking gradually, change in the nature
17 of those regional preferences?

18 My question really comes down at
19 the end here: Is the Canadian subsidiary of an
20 American publisher going to have motivation to
21 change the ground rules so to speak if he can
22 manage to do so?

23 MR. McMASTER: I think that would
24 be true if that were his only motivation, that
25 is, in setting up the Canadian program, one
26 was to take account of these original preferences.
27 I think there are two other factors, however, and
28 one can, of course, fuse with that one, and that
29 is encouragement received from one's principals
30 to undertake a Canadian publishing program simply



1 because they believe it is good business to do so
2 and, secondly, the desire of almost everybody I
3 know who is a Canadian in publishing, to do
4 something in Canadian publishing.

5 DR. JEANNERET: I realize that
6 some of these questions, such as the ones I have
7 just asked, suggest a prejudice and bias and I
8 am really asking them to get points of view on
9 these issues and these questions because they are
10 the problems that arise. I have no other questions.

11 MR. CAMP: I agree with your
12 point certainly about encouraging the book-
13 buying habits on the part of Canadians. Is there
14 such a thing as an average price? What would the
15 price range be?

16 MR. McMASTER: 40 to 50 cents is
17 the main price for our club books and most of our
18 books are distributed through the book club
19 operation.

20 MR. CAMP: Is this the same company
21 that publishes Scholastic Magazine?

22 MR. McMASTER: Yes.

23 MR. CAMP: What is the circulation
24 of Scholastic Magazine in Canada?

25 MR. McMASTER: In Canada last year
26 we distributed close to three million copies.

27 MR. CAMP: How often is it published?

28 MR. McMASTER: Well, there are a
29 number of them, there are 14 magazines. Some of
30 them are published weekly and some monthly.

1 MR. CAMP: That is distributed by
2 subscription?

3 MR. McMASTER: We solicit subscriptions
4 in Canada and then the magazines are mailed from
5 Dayton, Ohio. into Canada.

6 MR. CAMP: Would you repeat again
7 that enormous figure?

8 MR. McMASTER: Three million copies,
9 not three million subscriptions but three million
10 magazines.

11 MR. CAMP: To a subscribers' list
12 or to a list broader than that?

13 MR. McMASTER: They are all sub-
14 sscribers.

15 MR. CAMP: Just for my curiosity
16 you sold 11 of your 800 titles over 20,000 copies.
17 Would you name two or three of those titles?

18 MR. McMASTER: Yes, Curious George
19 Rides a Bike, Arrow Book of Spooky Stories,
20 this year the Partridge Family because of the mass
21 impact of television, one of our consistent best
22 sellers in Farley Mowat's Two Against the North,
23 which strangely enough we get from an American
24 parent company.

25 MR. CAMP: In paperback form
26 from an American company?

27 MR. McMASTER: Right.

28 MR. CAMP: So, that what creates
29 the \$150,000 worth of Canadian printing that you do?

30 MR. McMASTER: We are essentially a

1 direct mail house, Mr. Camp. We probably do more
2 direct mail promotion I think than any other house
3 in Canada, that is promotion.

4 MR. CAMP: Promotion material?

5 MR. McMASTER: Yes.

6 MR. CAMP: So, the books that you
7 sell are all printed in the United States?

8 MR. McMASTER: All but 1.1 per cent
9 which are done in Canada.

10 MR. CAMP: Thank you.

11 THE CHAIRMAN: I am delighted to hear
12 that Farley Mowat is getting expression in
13 Canada through the United States and I am sure that
14 he will be pleased on the royalties.

15 MR. CAMP: Just a minute. Could
16 you just tell me, you bought the rights to that?

17 MR. McMASTER: No, our parent
18 company have the paperback rights for the United
19 States and Canada and has published its own paper-
20 back edition.

21 DR. JEANNERET: I hope they pay him
22 export royalties.

23 MR. McMASTER: I am sure there is a
24 royalty.

25 DR. JEANNERET: But an export royalty
26 no doubt?

27 MR. McMASTER: I don't know.

28 THE CHAIRMAN: In any event I am
29 glad to know that he is getting an expression,
30 royalty or otherwise. I hope he gets a royalty, he



1 deserves it.

2 You say in your brief on page 4:

3 " Those benefits would seem to be
4 substantial. Among them is the growing
5 opportunity to export Canadian 'titles'
6 in paperback reprint form through an
7 international network of book clubs."

8 You were not here referring to a Farley Mowat
9 kind of operation we have just discussed, or were
10 you?

11 MR. McMASTER: I was referring to
12 books that we will develop ourselves here in
13 Canada.

14 THE CHAIRMAN: Have you done any
15 yet?

16 MR. McMASTER: Just two to date.

17 THE CHAIRMAN: How has your experience
18 been with them?

19 MR. McMASTER: Excellent, we sold
20 half of the printing of one to London. The
21 other one we sold 17,000 copies in Canada and
22 we exported 15,000 to the United States, 4,000
23 to London, England and 6,000 to Australia and
24 New Zealand.

25 THE CHAIRMAN: What were the titles?

26 MR. McMASTER: The first one was
27 a collection of Canadian student writing called
28 Solitudes and the second was a fantasy written by
29 a young Canadian in Richmond Hill called,
30 The Forgotten World of ULOC.



1 THE CHAIRMAN: Have you any more
2 of those in process at the moment?

3 MR. McMASTER: We have two in the
4 works at the moment and we are now, because
5 the international division has grown to the
6 point where it can absorb these, we are now
7 undertaking the search for paperback reprint rights
8 of Canadian titles. At the present moment we are
9 negotiating for three Haig-Brown books.

10 MR. CAMP: Once more, Mr. McMaster,
11 what you are doing now is re-exporting books?

12 MR. McMASTER: No, the books that
13 I am talking about here --

14 MR. CAMP: Those two are exceptions
15 I know.

16 MR. McMASTER: We don't export any
17 other books.

18 MR. JEANNERET: Mr. McMaster, would
19 you make it clear that your paperback rights are
20 on the limited market area?

21 MR. McMaster: Oh, yes.

22 DR. JEANNERET: I don't know if that
23 is clear.

24 MR. McMASTER: Most of the paperbacks
25 that we distribute are restricted in rights to
26 marketing to schools and libraries. We don't
27 sell through any book stores or anything of that
28 sort. We have some 300 titles that we hope to
29 sell through book stores as the interest in
30 children's and young people's paperbacks grow.



1 DR. JEANNERET: You don't exclude
2 another paperback edition of the same works
3 sold in the other market?

4 MR. McMASTER: No.
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1 THE CHAIRMAN: The distribution,
2 do you anticipate any attempt to change the form
3 again to other modes of distribution?

4 MR. McMASTER: Other than the
5 book clubs? Yes. When I joined the company in
6 1962, at the beginning of 1962, we were selling
7 directly to school boards and that business represented
8 about 2 per cent of our total business. At the
9 present moment our club business represents
10 69 per cent and that other method of distribution
11 has grown to be 25 per cent. Magazines, to
12 which I referred, represents the other 6.

13 DR. JEANNERET: Your club
14 business is school business?

15 MR. McMASTER: Our club business
16 is school business except I suppose one must
17 make the distinction that these books are
18 purchased by the children themselves rather
19 than by the school board or school authorities.

20 THE CHAIRMAN: Thank you very
21 much, sir, we appreciate your comments.

22 -----
23

24
25 SUBMISSION OF JAMES, LEWIS and SAMUEL PUBLISHERS

26
27 THE CHAIRMAN: Mr. Lorimer, we
28 welcome you to this hearing of the Commission.
29 We have been over your very interesting brief
30 and if you would hit the high points for us,



1 we will have a discussion.

2 MR. LORIMER: I might first
3 say that Alan Samuel, who is also one of the
4 owners of the firm, is preparing a supplementary
5 brief for you which is going to be about the
6 details of our financial situation and our
7 operations and so on. A number of the small
8 publishers are doing that and it will be to
9 you shortly.

10 Basically what I was trying to
11 do in this brief was to make the point that
12 book publishers are extremely powerful and
13 important people and that their power is a kind
14 of power which ought to be recognized, and once
15 it is recognized, I think the implications
16 about who should be book publishers in Canada
17 become fairly clear. In the brief itself I
18 have gone through three illustrations of the
19 kind of power that book publishers have. The
20 first illustration is about books about
21 Quebec, and there are two instructive examples
22 about how book publishers have used their
23 power in Canada. The first illustration is
24 Vallieres book which was published, first
25 of all, in 1968 in French and very quickly was
26 recognized for the important book that it was.
27 I argue that book publishers in Canada chose
28 to use their power not to publish that book
29 on Quebec, but to publisher other sorts of
30 books which, though they may or may not be



1 interesting, and some of them were dreadful,
2 nevertheless, don't give you the kind of
3 serious information and put the kind of
4 viewpoint that Valliers represents. That seems
5 to me a good example of how publishers have
6 the power to decide what it is and what it
7 isn't that we know about in this country
8 and that is an example of how they have
9 used their power.

10 The second illustration that
11 I have gone through in this brief is to make
12 an argument about major books about Canada
13 that publishers have used their power, publishers
14 have chosen not to have written. I have made
15 some illustrations -- one illustration of that
16 is that there is no serious big book, for instance,
17 about blacks in Canada which is sort of a
18 straightforward history or description of the
19 current situation. Lots of students at the
20 universities know all sorts of detailed things
21 about the situation of blacks in the States
22 but when it comes time to come to Canada, all
23 you have is a Prentice-Hall sort of collection
24 of articles here and there but no serious
25 books on that subject and I think it is fairly
26 clear that Canadian book publishers could
27 use their power ---

28 THE CHAIRMAN: There are
29 really certain other elements in our society
30 that have not been touched upon other than the



1 black situation.

2 MR. LORIMER: That is the point.

3 You can make an almost never-ending list of
4 the basic books about Canada which have not yet
5 been written. It is much easier to make a list --
6 the list of books that have been written is
7 certainly a lot shorter and I think, you know,
8 that is an indication of what book publishers
9 are using their power for. They are not
10 using their resources to tell us about this
11 country, about its past and about who we are,
12 and where we are at.

13 DR. JEANNERET: Haven't been
14 written or haven't been published? There is
15 a big difference.

16 MR. LORIMER: I think the situation
17 in Canada is quite clear that the books, the
18 good, serious non-fiction books that get written
19 get written because there are publishers pushing
20 the people and for every book that kind of
21 plops on your desk every morning in a brown
22 envelope of that kind, there are 15, you
23 know, that some publisher has actually gone
24 and encouraged people and worked them through.

25 DR. JEANNERET: You are suggesting
26 that publishers are passing up red hot books
27 politically rather than ---

28 MR. LORIMER: I am not saying
29 that at all. I am saying there are a lot
30 of books that publishers could, if they wanted



1 to, get written and have published in Canada
2 which would be good, solid commercial books
3 and they are not being done.

4 DR. JEANNERET: Why not?

5 MR. LORIMER: I am coming
6 to that, if I might use -- there is one more
7 sort of aspect of the situation that I
8 wanted to mention too, that is what is happening
9 at the universities and how publishers are
10 using their power with respect to books that
11 are used in the universities. What is happening
12 is in the social sciences, the social sciences
13 are being completely Americanized very quickly
14 in Canada. There is virtually no distinct
15 Canadian social science and one of the biggest
16 reasons for that is that publishers have
17 chosen to operate in the social science field
18 to support American social science and
19 to make it easy for people who are basically
20 American social scientists anyway, to teach
21 American social science. Why the principle
22 means of doing this has been the "Canadian
23 Reader", which is a book -- you name the field
24 and there is a Canadian reader. If the
25 field is poverty, you know, the reader is
26 there and if it is economic policy the reader
27 is here. What happens at universities is
28 that the professors who find this easy anyway,
29 give basic American courses on the basic
30 social science field and to prove they are



1 in Canada they add one, maybe two Canadian
2 readers, but I mean, basically, the course
3 is an American course recognizable as such
4 by anyone. I mean, I think that in that kind
5 of situation publishers have a choice. If
6 they are going to do a book on poverty, they
7 can choose to do a serious book on the situation
8 in Canada by a Canadian writer, which is
9 a real book which is difficult for them to do.
10 I takes time and is awkward. Alternatively,
11 they can collect together -- they can get ten
12 men who do a book of readings on anything
13 to collect a book of readings in that field,
14 and there is a book on poverty that is called
15 "Poverty in Canada" and all the American professors
16 and Canadian professors frequently happen
17 to use that book and the basic American books
18 about the field.

19 DR. JEANNERET: I agree there
20 is too much lazy publishing in the form of
21 indulgence.

22 MR. LORIMER: I think it is more
23 serious. You know, the way it is being done
24 is facility. The Americanization of social
25 sciences that has taken place anyway, whereas,
26 I think the publishers who felt badly about
27 that could use their power to militate against
28 that. I mean, instead of publishing a Canadian
29 reader on poverty, they would publish a serious
30 book on poverty and instead of publishing a



1 book on, you know, Canadian housing policy,
2 which is a collection of readings, they could
3 have published a serious book in that field,
4 they begin to establish, you know, Canadian
5 literature in social sciences, which would
6 compete with the American literature instead
7 of sort of acting as a kind of icing on the
8 cake.

9 All right, so that is the
10 kind of situation. I mean, I think that those
11 illustrations show how powerful publishers are,
12 particularly in education. I think given, you
13 know, that they are that powerful, that they
14 have that kind of ability to determine what it
15 is that is available to tell us about ourselves,
16 I think that, you know, the implication of
17 that is clear. The implication is we can't
18 afford to have anything but Canadian publishers
19 publishing in Canada. I think the only thing
20 to do about the publishing industry, given
21 the situation, is to make Canadian publishing
22 industry completely Canadian owned, to rule
23 out American and other kinds of foreign
24 publishers as operating as publishers in Canada.
25 That is basically our position and we think
26 the publishing industry should be repatriated
27 as quickly as possible, that only Canadians
28 should be publishing books in Canada.

29 THE CHAIRMAN: By publishing
30 you mean publishing in the sense of finding the



1 author, having the book printed and then
2 distributed, is that publishing, or are you
3 also talking about publishing in the sense of
4 ---

5 MR. LORIMER: I am talking about
6 putting books around, you know, that sort
7 of activity, sort of, of publishing. Well,
8 yes, that is basically our position, is that
9 publishing is too important an industry to
10 let other people operate. It is as if we
11 said, you know, about the CBC, "Well, it is
12 very nice to have Canadians running the CBC
13 Monday to Friday but there is no reason the
14 Americans can't run it on Saturday and Sunday".
15 It is like saying: it is perfectly all right
16 to have a Canadian banking industry, but it
17 is all right, too, to let the Rockefellers
18 in, you know, and do their thing in 25 per cent
19 of the industry. I mean, I think the point
20 is the book publishing industry is too important
21 not to have it completely run by Canadians.

22 Now, that is sort of the position
23 we want to take. There is another question
24 of how do you repatriate the Canadian publishing
25 industry? I would rather not get involved --
26 I mean the usual tactic in these situations
27 is, you know, "We all agree about the end but
28 but it is just the means that are in question".
29 To get tied up in knots about whether this is
30 an appropriate way or that is an appropriate



1 way of repatriating. I think it is perfectly
2 obvious it could be done. The means are
3 there is one wants to do it, but nevertheless,
4 we have spelled out some recommendations about
5 one possible way of doing it. The first step
6 we thought that might be taken is that it
7 should be made illegal for a company that
8 isn't 100 per cent Canadian owned to publish
9 a book in Canada. The analogy is to banknotes.
10 It is illegal for anyone but the government to
11 print or publish banknotes in Canada. I mean
12 if the government has the power to do that
13 about banknotes, why shouldn't it do it about
14 books? After all books function very like
15 banknotes for American subsidiaries.

16 THE CHAIRMAN: If the government
17 is going to publish books the analogy is
18 complete. Are you going that far?

19 MR. LORIMER: We are talking
20 about government creating a situation for
21 publishers, not the government becoming
22 publishers. I mean, what that would do would
23 rule out all publishing by all but totally
24 Canadian firms.

25 The second step we thought could
26 be taken is that it could be made illegal
27 for public money to be used to purchase for
28 educational purposes books that were not
29 published in Canada -- yes, books that were
30 not published in Canada, written by Canadian

1 authors. That would be mostly in secondary
2 schools and public schools because students
3 use their own money to buy the books in
4 university. Doing that -- especially if
5 you phase it over three years it would have
6 the effect of gradually removing from the
7 foreign countries, you know, the market for
8 the existing titles and at the end of three
9 years you would discover the foreign companies
10 could no longer publish books in the country
11 and once more they couldn't sell the titles that
12 they had presumably they would fold up and
13 go into some other business.

14 THE CHAIRMAN: I take it here
15 you are talking about textbooks. Are you talking
16 about books in general?

17 MR. LORIMER: The means was
18 public funds for educational purposes.

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1 The third measure which we
2 thought might be taken was that the government
3 would have to institute a system of licensing
4 so that in order to obtain a licence to print
5 any book not by a Canadian author, one would
6 have to earn a licence to publish a book which
7 was not by a Canadian author and the way you
8 would earn that licence which would be for
9 any book that you could buy the rights to, is
10 by publishing two Canadian-authored books so
11 that that would make it very difficult for the
12 General Publishing Company, for instance. They
13 would have to adjust their ratio a bit in order
14 to have 20,000 foreign books which they republish
15 in the country, they would have to publish 40,000
16 Canadian books instead of the present situation
17 which was 60,000 Canadian books and 20,000 titles.
18 So what that would do, that would ensure that
19 good foreign books were published in Canada,
20 they would be published by Canadian publishers.
21 You would also ensure that there were lots of
22 Canadian books and, of course, Canadian
23 books insofar as American books are extremely
24 profitable, or certain books are very profitable.
25 Canadian books would even be riding on the tail
26 of American titles which Canadian publishers
27 would be bringing out. That seemed a reasonable
28 way of going about the problem, due to the
29 fact that there are obviously books written
30 elsewhere which ought to be published in Canada,



1 but one does want to rule out a simple,
2 sort of reprint house kind of function where
3 a man is able to ride along and make lots of
4 money without actually being a publisher,
5 but simply reprinting books that were done elsewhere.

6 Those, I think, are the sort
7 of major measures. That would be one way
8 of repatriating the industry. Certainly there
9 are lots of other ways of doing it but I think
10 if one takes the situation of the book publishers
11 seriously, the kind of power that they have
12 seriously, that the only way this country or
13 people in this country are going to become aware
14 of who it is that they are and what they have
15 done is by having books written about it.
16 I think that in some situations books are really
17 not that important but I think that in Canada
18 books are tremendously important to us. I
19 think that it is very clear in Quebec, for
20 instance, that the role that books have played
21 in the last ten years in letting people know
22 about their kind of situation, books like
23 that are now being written in Canada but it
24 is such an uphill fight.

25 As I say, there is virtually
26 no Canadian publishing industry left and
27 the American firms, whatever else they are
28 in for, are not in the publishing business
29 to help Canadians and Canada become an
30 independent country.



1 THE CHAIRMAN: On page 19 of
2 your brief you use the word "dramatic" in
3 connection with some of the proposals, that
4 dramatic actions should be taken. I must
5 confess that these suggestions you have made
6 which follow after page 19 do nullify the
7 descriptive word "dramatic". Can you give
8 us reasons why you, as an author, are also
9 in the publishing business?

10 MR. LORIMER: Well, that is
11 a different subject. I will be happy to talk
12 about that.

13 THE CHAIRMAN: I am interested
14 because you put forward certain powers of
15 publishers, you put forward certain attributes
16 and certain difficulties and I wondered why
17 you, as an officer, have gone into the publishing
18 segment as well. Have you found that the publishers
19 in Canada at the moment when you were offering
20 books, were not adequate? I am just interested
21 as to why you got into the publishing end
22 of things yourself?

23 MR. LORIMER: But our firm is
24 particularly interested in doing non-fiction
25 books on Canadian subjects. Our feeling is
26 that the only solid market for books like that
27 is the Canadian universities, and indeed there
28 is a large market in paperback form and we
29 have had great success with the two books --
30 well, modest success with one book and great



1 success with another book which we brought out
2 last year which were of this kind. What
3 we were trying to do was set up a publishing
4 house which would get those books into that
5 market and which would be, therefore a commercially
6 viable operation and which, at the same time
7 would generate the kind of income for authors
8 which would make book writing a serious business
9 so that someone could afford actually to
10 write books like that rather than doing it
11 as most of us have to do, sort of as a spare-time
12 kind of occupation. Mr. Camp perhaps excepted,
13 as a spare-time kind of activity.

14 THE CHAIRMAN: Did you say
15 excepted or accepted?

16 MR. LORIMER: "Excepted", we are
17 dealing with a serious author when we are
18 talking about someone who is on the best-selling
19 list. We are not on the best-seller lists
20 and obviously the kind of books we want to do
21 are not the kind which will regularly appear
22 there. Nevertheless, we have done a book,
23 for instance, about Indians which has sold
24 enough in the last year so that the girl
25 who wrote it is about to write another book
26 and that seems to me extremely important that
27 book publishing is able to produce that kind
28 of output from people and the only places
29 for it is in universities. Canadian
30 publishers don't seem to know about the university



1 market. Trade publishers who have paperbacks
2 they could sell at the universities, don't seem
3 to appreciate the importance of the university
4 market. We appreciate -- well, we can name
5 them, one is Prentice-Hall and Holt Reinhart,
6 McGraw Hill and so on, who are selling vast
7 quantities of their books in the university
8 market and that, of course is one of the
9 things that disturbs us.

10 DR. JEANNERET: In your opening
11 paragraph you refer to Jack McClelland as a
12 "small time local operator". Can you expand
13 on that description?

14 MR. LORIMER: Yes, compared to
15 McGraw-Hill, compared to IBM and IT&T,
16 Jack McClelland is a small time local operator.
17 I mean, what is his business worth? A
18 few million dollars. I personally would be
19 very pleased to be the owner of a business worth
20 a few million dollars, but in comparison to
21 the people with whom he is competing, he is a
22 small time local operator.

23 DR. JEANNERET: I want to go
24 back to the question I asked you during your
25 preamble, there. I would like you to substantiate
26 your statement that for three years Canadian
27 publishers exercised their power. I want
28 to stress that "exercised their power" to keep
29 the Vallieres book out of the hands of
30 English-speaking Canadian readers. I think



1 it was listed on the best seller list in English
2 only this past weekend. I noticed that it
3 was very high on the list. Now, I have had some
4 experience in trying to find a market for
5 English translations of these French key works
6 that appear and I have watched other publishers
7 do it sometimes more successfully. Take the
8 granddaddy of all these separatists books, *Que je*
9 *suis Separatiste*, which you will remember.

10 Do you know the sales history of that in
11 translation? Well, I do. Since I read your
12 brief, I went to some trouble to find out and
13 it sold, as you know, some hundreds of thousands
14 in French. It sold 8000 in English and the
15 Canadian publisher lost a good deal of money
16 on it. It was not a success at all. Now,
17 that sort of book has been sold here and if
18 your argument is that the Canadian publishers
19 are passing up good, economic opportunities,
20 and that is the only way I have been able to read
21 your brief -- in order to suppress for political
22 reasons, presumably, I am not sure, literature
23 of this kind, then I feel you have made a
24 mistake going into publishing. Would you expand
25 on that, because I may have misread your point
26 entirely and I am terribly interested in it?

27 MR. LORIMER: Well, the point I
28 was trying to make basically is that every
29 publisher has in his hands the power to decide
30 how he is going to use his firm and his capital,



1 to know what he is going to use it for, what
2 books he is going to choose to put his money
3 into.

4 DR. JEANNERET: It is an
5 economic decision first, isn't it?

6 MR. LORIMER: Quite, but the
7 point is there are lots of books that one
8 could get written and one could publish which
9 would be perfectly solid commercial books
10 in Canada, and I think that the fact in the
11 last three years there have been a number
12 of books which have been published about Quebec
13 which, though they may not have been staggering
14 money-makers, nevertheless, have presumably
15 been reasonable commercial successes.
16 Now, when a publisher -- no publisher can
17 do every book that he could possibly do. He
18 is going to make choices and, of course, his
19 choice is partly to do with where he thinks
20 he is going to make a lot of money and where
21 he is not going to make a lot of money, but
22 nevertheless, he has that kind of power in
23 his hands and I think it is fairly clear, from
24 looking at the experience, that one of the
25 things that concerns people is profitability,
26 but there are a lot of other things that are
27 involved in the decisions about where you
28 want to use your money, where you want to put
29 your money, what you want to publish and I
30 think that that is quite clear.



Now, I am not making an argument about political suppression. I am not saying that there is a conspiracy, or there has been a conspiracy amongst English-Canadian publishers not to tell us about Quebec, but I am pointing out that they have chosen in the last three years to use their powers as book publishers to publish books which did not inform us about the serious intellectual case that was being made by people like Vallieres, by Rioux, by this man Dolman, whom I cited, who has never been published, although everyone in Quebec seems to think that it is an extremely important book and the argument is that book publishers, as individuals, are powerful people. We know that George Davidson is a powerful man, we know that the publisher of the Globe and the publisher of the Star are powerful individuals and I think that we ought to realize that book publishers are similarly powerful individuals. Some of them have got more powers than the other group. We are capable of publishing three, four or five titles a year are not powerful individuals compared to the larger people, but nevertheless, we have the option of doing things that can be extremely important in the intellectual level of the country; that can be marginally important or that can be sort of ridiculous.

DR. JEANNERET: I think I would



1 go a long way towards agreeing with you
2 if your argument is that book publishers have
3 been prevented from or deterred from discharging
4 a social responsibility by reason of the
5 conomics of the situation. That is another
6 matter.

7 MR. LORIMER: That is not what
8 I am saying. The image that I always had --
9 and I am sure there must be other people who
10 share this misconception, is that there were
11 manuscripts and there were readers and there
12 were sort of publishers somewhere in the middle,
13 and that anything that was a serious manuscript
14 would inevitably, one way or another, find
15 its way here. What I have discovered is
16 that there are publishers, and the publishers
17 seem to sort of bring about the manuscripts
18 that are out there, and what I am pointing out
19 is that that activity of creating books is
20 an extremely important one and the power
21 of being able to do that is a power of some
22 significance.

23 DR. JEANNERET: But I put it
24 to you that they are economically conscious
25 before they are politically conscious in this
26 decision making.

27 MR. LORIMER: That is clear,
28 that is obvious, but as I said before, we
29 could easily make a list of 50 books about this
30 country that can be written that are perfectly



1 solid commercial books. Maybe they won't
2 be staggering successes but they won't be
3 flops either.

4 DR. JEANNERET: Well, I wish
5 you would give them to the Commission.

6 MR. LORIMER: I mean the brief
7 does excite a number of books of that kind.
8 I think a book about blacks in Canada is an
9 example of that. Another example of that
10 is good straightforward history of the Winnipeg
11 general strike, which has never been done
12 except by a man who is a professor of the
13 University of Minnesota.

14 DR. JEANNERET: Yes, and I
15 published it.

16 MR. LORIMER: Yes, but it is
17 not the book on the Winnipeg general strike,
18 the book which could be written. Another
19 example is a book, a sort of basic book about
20 life in Canadian suburbs. There are books
21 about that subject, but there is not book
22 like the Home-Towners, which is about suburban
23 life in the States. Well, there are several
24 books of that type.



1 DR. JEANNERET: I would like
2 to ask one other question and that is, I find
3 the total thrust of your recommendations to be
4 nothing more or less than censorship of what
5 books Canadians would have access to for many
6 years and to the extent that that is true,
7 I can't reconcile your academic position on
8 responsibilities. The two ideas just do not
9 go together at all in my mind.

10 MR. LORIMER: Let me comment
11 on that.

12 DR. JEANNERET: Let us speak about
13 this censorship.

14 MR. LORIMER: The recommendation
15 we make in our brief is that the importation
16 of all books into Canada is to be prohibited
17 but simultaneously, for a temporary period,
18 there should be absolutely free entry of books
19 in single copies ordered by individuals or
20 libraries, from retail prices from bookstores
21 abroad. Now, it seems to me obvious -- what
22 that is saying is that if the border is sealed
23 so that the only books available that are
24 published in Canada, are books published by
25 Canadian publishers, that means a lot of books
26 we now find in the book stores won't be there.
27 When you go to Winnipeg and you look on the
28 book shelves it is called "Urban Affairs".
29 You won't see all those funny American paperbacks
30 on, you know, New Haven and Boston and Chicago



1 and things, but not find anything, you know,
2 very few books on urban affairs published
3 in Canada. You will only find Canadian books.
4 But that does not mean that we are saying in
5 the brief that those books ought to be cut off.
6 I think that they need to be made as freely
7 available as possible, except that the way
8 you are going to have to get them is by writing
9 away to get them. You are not going to be
10 able to go to your local Classics Book Store
11 and pick them up.

12 You know, what's more, that seems
13 to be not a very satisfactory kind of
14 proposal to make, but in the circumstance,
15 I mean, I think the circumstances that you
16 are faced with in the industry are desperate,
17 and that it is only extremely strong and
18 distasteful measures that will, or are, in fact,
19 going to work, that are going to save anything
20 like a publishing industry instead of the
21 small marginal people like us, you know,
22 who are not really serious publishers, and
23 if they had to do it as a real, you know, commercial
24 proposition, couldn't afford to do it.

25 THE CHAIRMAN: You are in
26 business, are you not? What do you mean
27 you are not serious?

28 MR. LORIMER: Yes, but we ---

29 THE CHAIRMAN: Could you
30 prepare some figures for us for consideration?



1 Whatt is the purpose of this business?

2 MR. LORIMER: The reason we
3 are not serious is because we are -- we rely
4 on people working for us for much less than
5 they could -- than they ought to be paid for
6 the work they are doing and the two principals
7 in the firm are paid nothing for being involved
8 in the firm. If we had to pay, I mean, if
9 we weren't subsidized by the fact that we
10 are university professors doing this on the
11 margins of our time, it wouldn't be feasible
12 for us to do what we are doing.

13 THE CHAIRMAN: It seems to be
14 me you are deadly serious but you are
15 under-capitalized. If you put in capital in
16 terms of your working time ---

17 MR. LORIMER: We are not
18 only under-capitalized, but we are faced with
19 a market that really can't pay, as you have
20 heard manyttimes, and I am not going to
21 repeat all that sort of thing -- the same
22 conditions in the market are bad, you know,
23 and I think that if you look at all these
24 small publishers you will find the same sort
25 of solution. They are not, you know, real
26 commercial operations that are paying the
27 full costs, you know, of the inputs they
28 get from people and the fair price, I should
29 say. You know, we are making reasonable
30 profits.



1 MR. CAMP: You publish the
2 anthology on the Quebec crisis under
3 Mr. MacDonald's introduction?

4 MR. LORIMER: That was New Press.
5 The one we publish on Quebec is a translation
6 by a man called Marcel Rioux and it was
7 first published in 1969.

8 MR. CAMP: How is that doing
9 by the way?

10 MR. LORIMER: Our experience
11 this year has been -- the sale of our spring
12 books has been much mbetter than it was last
13 year and we send out information to university
14 professors because, as I said, we are very
15 concerned about that market and the response
16 we are getting this year for some reason is
17 between two and three times as good as it was last
18 year. The books, presumably, are no better
19 or not worse. That suggest to us that the
20 university professors are getting a bit nervous
21 about all those American books they are using.

22 MR. CAMP: I have the same
23 general conclusions that my colleague has with
24 regard to your second recommendation. It just
25 boggles the mind.

26 MR. LORIMER: I understood what
27 you were asking earlier on in this respect.

28 MR. CAMP: In the first place,
29 in order to get 20,000 American titles or
30 foreign titles, you would have to discover 20,000



1 Canadian authors. We have an expression here
2 by someone who said "Trash before M*A*S*H"
3 and the very idea whether a publisher would
4 resort to in order to get access to the world
5 publishing market to live up to this Canadian
6 quota. It doesn't seem to me that -- I am
7 impressed by what you are doing and I am
8 impressed by your sincerity, but I am shocked
9 that you could ever make that as a serious
10 proposition. Canadians, as a matter of fact,
11 I don't think anybody else in the world should
12 be compelled to write a letter to an American
13 publisher in order to buy a book or a British
14 publisher in order to buy a book. You couldn't
15 get Soul on Ice. You couldn't walk down the
16 street and get it, the condition of Canadian
17 book stores would be such that people would be
18 far happier reading Eaton's Catalogue.

19 MR. LORIMER: It isn't Soul on
20 Ice they wouldn't be able to get. It was not
21 Soul on Ice which would be unavailable.
22 ~~That~~ would be published.

23 MR. CAMP: I would think the
24 publishers would import books that they thought
25 they thought they could unload the fastest.

26 MR. LORIMER: Soul on Ice would
27 be one of those.

28 MR. CAMP: You would be
29 there to buy it. I don't think it would
30 outsell.



1 DR. JEANNERET: Arthur Hailey.

2 MR. CAMP: Whatever is trivial
3 and fashionable.

4 MR. LORIMER: In the end there
5 is the other thing, you know, if you see the
6 ratio of Canadian to non-Canadian
7 titles, it could be adjusted. I mean if it
8 seems unreasonable to think that a Canadian
9 publisher should have to publish two Canadian
10 books to publish one American book, because
11 there are so many wonderful American books,
12 maybe it should be the other way round.

13 DR. JEANNERET: It is the
14 machinery that frightens me.

15 MR. LORIMER: The machinery is
16 simply not that -- I mean, it would be like,
17 you would have, you would carry around your
18 licence to publish.

19 DR. JEANNERET: You would start
20 off by abusing it. You would have ten
21 books tomorrow night and in the next six
22 months you might not have enough to import.

23 MR. LORIMER: I think you would
24 be inclined to go to some trouble to make sure
25 those Canadian books that you would be creating
26 were reasonable books and I mean, I think at
27 this point, you know, that even reasonable
28 books are better than no books at all and
29 the situation that we are facing is not, you
30 know, are we going to have good books or bad



1 books? The situation is, are we going to have
2 books or no books? That is the effect you know,
3 of the American take-over, is that we are getting,
4 either no books or non-books, the non-books
5 being the collections of readings that we pretend
6 are Canadian books.

7 DR. JEANNERET: You could say
8 that in regard to publication of all the briefs.
9 Look at the licences you stack up.

10 MR. LORIMER: You see, what is
11 happening is, we are discussing a question,
12 you know, of is this an appropriate means?
13 I am not arguing this is the best means that
14 can be found, but I would be interested to
15 hear your views, in fact, on whether you think
16 the Canadian publishing industry must be
17 repatriated. If you decide that it must be
18 repatriated, and can't find any ways of doing
19 it, you know, I think there are a lot of
20 people in government who have found lots of
21 ways of doing other kinds of things that
22 others of us would find distasteful. We can
23 find ways of doing this too and I think the
24 means can be found. The situation is desperate.
25 I think it is very clear, you know, there
26 are no Canadian publishers left except, as I say,
27 the small time operators, small firms like ours,
28 marginal firms like ours and, you know, Jack
29 McClelland. Jack McClelland does wonderful
30 work but this country needs 20 or 30 men like



1 that. One is not enough.

2 DR. JEANNERET: We can agree
3 on that.

4 THE CHAIRMAN: You are quite right,
5 Mr. Lorimer. We are interested in approaches
6 of the kind that you have brought forward to us.
7 We are interested in ideas and we may not
8 necessarily agree with them but we are
9 examining them and the thought that is behind
10 them. That is what I think we are doing.
11 It is a challenge that you are confronting and
12 we are as well. We appreciate very much
13 having had you here, and you say you have
14 some supplementary material.

15 MR. LORIMER: Okay.

16
17
18 ---Adjournment
19
20
21
22
23
24
25
26
27
28
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30



ONTARIO

ROYAL COMMISSION ON BOOK PUBLISHING

Mr. Richard Rohmer, Q.C.	Chairman
Dr. Marsh Jeanneret	Commissioner
Mr. Dalton Camp	Commissioner

Mr. Robert Fleming Executive Secretary

252 Bloor Street West, Toronto,
Ontario, April 29, 1971

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New Press

Mr. William Pickering,
Chairman, Department of
History and Miss Ruth
Thompson, Library
Chairman

Northmount Junior High
School



Toronto, Ontario,
April 29, 1971.

---The hearing commenced at 10.00 a.m.

THE CHAIRMAN: Well, we have with us this morning representatives of the Ontario Institute for Studies in Education, really our hosts in this building and we appreciate all of the facilities that have been provided to us.

Dr. Jackson, are you going to be spokesman?

DR. JACKSON: I wonder if I might, Mr. Chairman. I would like to read a preliminary statement which gives the background of the Institute. I have copies of it if you wish.

THE CHAIRMAN: Certainly.

SUBMISSION OF ONTARIO INSTITUTE FOR STUDIES
IN EDUCATION
EDITORIAL BOARD

DR. JACKSON: We appreciate this opportunity to appear before you, partly to explain what OISE is all about, but primarily to express some ideas and proposals concerning educational publishing in this province. As you will have noted, the brief before you has been submitted on behalf of our Editorial Board, and prepared by Mr. John R. Main, the Editor-in-Chief of our Editorial Division at OISE. It seemed appropriate to us, in view of your very specific interests in publishing, to submit the brief in this form rather



1 than as a general and official brief from the
2 Institute as a whole. Publishing, whether print
3 or non-print, is only one of the activities related
4 to our function of dissemination of the findings
5 of research and development studies and assistance
6 in the implementation of them, (although we are
7 probably one of the largest purely Canadian
8 educational publishing houses). We use other
9 means of dissemination also, of course, including
10 workshops, conferences, and demonstrations -- as
11 well as lectures and seminars. But I should
12 perhaps move directly to a description of our
13 whole range of activities, to provide the background
14 you will need in assessing the publishing aspect
15 of our work.

16 The Institute was established less than
17 six years ago -- on July 1st, 1965. It combined
18 into one organization three original groups, the
19 departments of graduate studies and of educational
20 research of the then Ontario College of Education
21 and, one year later, the Ontario Curriculum
22 Institute. Ever since our beginning we have
23 expanded at a rapid rate, in all activities, with
24 a staff now numbering approximately 600 of whom
25 140 are academics.

26 The Institute is a unique
27 institution, and has gained recognition as such. It
28 has attained a national and international reputation
29 such that visiting scholars and other educators
30 to this continent include as a "must" in their



1 itinerary a period of substantial study at
2 and of OISE. It has also become, assisted by the
3 new building, a very real centre for education in
4 this province, not only for the Metro Toronto area
5 but for provincial and national education
6 associations; a list of our sub-tenants indicates
7 how fully this aim has been realized, including
8 your own Commission.

9 The building and its facilities
10 (auditorium, classrooms, seminar rooms, cafeteria,
11 etc.) are used seven days a week throughout the
12 year, and in many cases for sixteen hours per
13 day. The building is open 24 hours a day
14 every day in the year, including statutory
15 holidays. When the use of the central facility
16 is combined with the use made of the network of
17 Field Centres (Niagara, London, Trent, Sudbury,
18 Lakehead and two more to be opened this summer),
19 it can readily be seen that educators in Ontario
20 (from classroom teachers to school trustees)
21 have available a resource and information centre of
22 unsurpassed scope and extent.

23 Over and above the use of the
24 physical facilities are the immeasurably more
25 important and significant services provided to
26 educators (again from classroom teachers, including
27 those in professional schools at universities and
28 at the CAAT's, to school officials and trustees)
29 by the central staff and the staffs of the Field
30 Centres, including the very extensive reference and



1 information section of the OISE Library. And
2 it is not simply a case of our staff passively
3 waiting for requests; on the contrary, they very
4 actively assist local educators to identify their
5 own problems, use their own resources, and call
6 upon the services of OISE locally and centrally.
7 A few examples of these activities illustrate the
8 point vividly:

9 1,650 graduates in five years, --
10 this is doctors and masters -- of whom about 90
11 per cent have returned to the Ontario school
12 system;

13 Over 100 publications by OISE in
14 five years (reports, texts, brochures, etc.);

15 In 1969-70 the staff published 220
16 articles in professional journals and wrote parts
17 or the whole of 111 books;

18 Nearly 10,000 subscribers to
19 Institute Journals (Orbit, Interchange, Convergence);

20 In 1969-70 over 280 addresses to
21 professional groups;

22 Over 150 conferences during the past
23 five years;

24 In 1969-70 alone over 200 workshops
25 for educators;

26 An estimated 10,000 consultations
27 last year (office, telephone, letter);

28 469 group consultations during last
29 year;

30 Information from library to an



1 estimated 12,000 people in Ontario each year.

2 But to return to our functions and
3 organization. The Institute has a three-fold
4 function, so designed as to make maximum and
5 economical use of its human and physical resources,
6 but its prime purpose is and always has been to
7 improve education in Ontario: to help your children
8 and ours to a better education.

9 (1) The Institute is a graduate school
10 in education: an independent college with its
11 own degree-granting powers and its own Board of
12 Governors, which has entered into affiliation
13 with the University of Toronto for graduate work.

14 We constitute the main staff
15 of Educational Theory. With an enrolment of some
16 2,400 students each year, it is one of the largest
17 truly graduate schools in education in the world.

18 (2) It is a research centre also, with a
19 mandate covering both basic and applied research
20 in education, to provide for both the advancement
21 of knowledge and application of that knowledge,
22 specifically with reference to educational problems
23 of Ontario.

24 (3) It is also a development centre,
25 emphasizing study of problems of immediate concern
26 to Ontario educators and the dissemination of the
27 findings of studies and assistance in the
28 implementation of such findings.

29 In concluding these introductory
30 remarks, Mr. Chairman, may I offer a few summary



1 observations. In terms of the total amount of
2 money devoted to research and development in
3 education, the investment to date has been outstandingly
4 inadequate, even in Ontario, and the position is
5 even worse in other provinces of Canada. A
6 comparison with research and development in
7 various other fields will adequately emphasize
8 the point. The Institute's annual operating costs,
9 for example, are equivalent to the cost of about
10 three-quarters of a mile of an expressway, and
11 the cost of this new building not too far removed
12 from that of an interchange at the intersection
13 of two main expressways. In terms of total public
14 expenditure each year on education in Ontario, our
15 expenditure on research and development totals a
16 meagre 0.3 per cent. The level of support in
17 the United States is also low, but is at one
18 and one-half times the level of support in
19 Ontario. In agriculture, Ontario is paying more
20 than two and one-half times as much per dollar
21 of total provincial expenditure, and, adding
22 federal support, more than seven times as much.
23 In industry, it is estimated that, on the average,
24 expenditures on research and development are more
25 than three times as much (and very much more in
26 some industries than in others). Moreover, in
27 the Sixth Annual Review of the Economic Council
28 of Canada it is stated that "this small amount
29 devoted to research on education in Canada is
30 woefully inadequate." In commenting on this item,



1 one of the newspapers stated that "no private
2 business ... could be guilty of such neglect
3 and survive." I add these facts and conclusions
4 to support the position taken in the brief of our
5 Editorial Board for a "basis of realistic support
6 of research and development for education."

7 In short, we have come a long way
8 in Ontario, but very much more needs to be done.
9 The arguments in the brief clearly indicate that
10 this applies as strongly to publishing as to
11 our other activities. Without the research and
12 development work so urgently needed, the future
13 of educational publishing in the province and
14 nation is very bleak indeed. Unless we do our
15 own research and development, of course, we
16 will continue to be dependent on that of others --
17 the unwilling recipient of "hand-me-downs"
18 largely from our American neighbours, no matter
19 how poorly they fit. It seems clear to me
20 that, in a field as vital as education, we must
21 develop our own findings and materials or risk
22 loss of our Canadian identity and independence. The
23 risk is a very real one in publishing, as you
24 know, only too well.

25 Perhaps this is too pessimistic a
26 note on which to conclude. When my optimism and
27 cheerfulness wane, I frequently resort to an
28 antidote of comparisons based on federal statistics--
29 which are generally amusing enough to dispel gloom,
30 if only temporarily. For this reason, I thought



1 you might be interested in the following
2 comparisons. We get no research funds from Ottawa
3 for education, directly as such, as you know.

- | | | | |
|----|-----|------------------------------|-------------|
| 4 | (1) | OISE operating budget | |
| 5 | | for R & D in education, | \$5,750,000 |
| 6 | (2) | Estimated Canadian budget | |
| 7 | | for R & D in education, | 7,500,000 |
| 8 | (3) | Research grants provided by | |
| 9 | | National Research Council | |
| 10 | | (1969-70), | 71,055,000 |
| 11 | (4) | Research grants provided by | |
| 12 | | the Medical Research Council | |
| 13 | | (1969-70), | 30,891,000 |
| 14 | (5) | Federal research grants | |
| 15 | | for agriculture(1969-70), | 40,928,000 |
| 16 | (6) | Federal research grants | |
| 17 | | for fisheries(1969-70), | 13,038,000 |

18 Obviously our children, our
19 greatest national resource, do not fare very well,
20 do they? While I haven't calculated unit costs
21 (such as research dollars per child, per scientist,
22 per doctor, per cow, or per fish), the above
23 data do clearly indicate that it is time we had a
24 new look at our priorities in Canada, including
25 those in educational publishing. Now, with your
26 permission, Mr. Chairman, I would ask that
27 Mr. John Main present the brief from our Editorial
28 Board.

29 The position was summarized very
30 well by Ernest Sirluck of the University of Toronto



1 in August, 1970, as follows:

2 " ... in Canada general recognition of
3 the importance of research has only begun
4 in the social sciences, and is yet to
5 begin in the humanities. The results of
6 this failure of comprehension are visible
7 everywhere -- in the failure of govern-
8 ments to deal with many major problems,
9 in the thinness and dependency of the
10 educational system, in the bleakness
11 and aridity of the general culture, and
12 (what is most pertinent to the present
13 enquiry) in the inability of Canadian
14 science (in the definition noted above)
15 to give the country a lead."

16 Now with your permission, Mr. Chairman,
17 I would ask that Mr. John Main present the brief
18 from the Editorial Board.

19 THE CHAIRMAN: Thank you, Dr. Jackson.
20 May we have a copy of that document from which
21 you were reading as there are one or two things
22 we would like to ask you about it subsequently?
23 We have been utilizing the practice of asking the
24 people to hit the high points in their briefs
25 so that we can get into the questions as rapidly as
26 possible.

27 MR. MAIN: Mr. Chairman, in
28 respect to the amount of time that we have this
29 morning I am certainly quite willing to abbreviate
30 my comments to the utmost. I think Dr. Jackson



1 has admirably summed up our general point of view.
2 The brief speaks perhaps more particularly to how
3 we feel at an Institute such as this and contribute
4 to the requirements of education and of educational
5 publishing. In short we feel we can make a
6 decided contribution, not in moving in what amounts
7 to a vacuum but in respect to the job that needs
8 to be done.

9 The brief particularly, I think,
10 attempts to point out the weaknesses and the risks
11 of educational publishing in the past. Such
12 publishing has been almost entirely dependent
13 upon provincial curricula prepared with a minimum
14 of research and development background. In
15 many cases course construction has been the result
16 of teacher committees operating without access
17 to research, prototype construction, testing or
18 evaluation, in almost all cases without adequate
19 time provided for the creation of teaching
20 materials.

21 In very brief summing a repetition
22 of this pattern in curriculum development in the
23 present publishing climate involves far too high
24 an element of risk for publishers to bear. With
25 this economic fact in mind and bearing in mind our
26 national need to reinforce a Canadian identity
27 and a Canadian educational identity it is our
28 contention that greatly expanded programs of
29 government support are needed for research and
30 development and for educational publishing.



1 Mr. Chairman, I would regard that
2 as my summing up, if it is agreeable to you,
3 because I would appreciate getting into the brief
4 in response to your questions.

5 DR. JEANNERET: Yes, Mr. Main, insofar
6 as you consider yourselves by definition -- I
7 don't think you used this phrase -- a publisher
8 of last resort and the last resort usually arises
9 as I understand it, in other words, you have to
10 publish because nobody else will, is it fair
11 for us to assume that as a publishing operation you
12 do not aspire to cover your costs, your publishing
13 costs either now or you have no long-term plan
14 to cover them, that is, the true costs?

15 MR. MAIN: It would depend, I
16 suppose, on how you interpret "true costs".
17 We have attempted to set up machinery here which
18 will provide us with what would be regarded as
19 a revolving loan fund to undertake the manufacturing
20 costs and to return manufacturing costs hopefully
21 of materials we publish.

22 DR. JEANNERET: What relevance
23 have they though to the total true cost picture?

24 MR. MAIN: Relevance, I suppose, in
25 that they represent a direct outlay of monies as
26 far as manufacturing is concerned.

27 DR. JEANNERET: Your salary and the
28 salary of your staff too, your space and so on?
29 I am not criticizing this but I just want to find
30 out whether or not you consider yourselves a



1 subsidized publishing operation?

2 MR. MAIN: I would say subsidized,
3 yes, in the sense that my salary and my staff's
4 salaries are not part of our costing operation.
5 Our justification for this type of organization
6 I would say rests with the Provincial Act
7 which established the Institute, namely, that our
8 function was to be to prepare and disseminate
9 materials of value to the educational public.

10 DR. JEANNERET: Would you indicate
11 just about how many members are on your staff?
12 I realize this might grow, or grow smaller,
13 depending on need but how big is this operation
14 of publishing?

15 MR. MAIN: At the present time
16 the operation has, I suppose, the attributes of
17 a smaller commercial publishing house or a
18 rather more ambitious university press operation.
19 In other words, we have a staff of approximately
20 20 people representing all of the attributes, the
21 professional attributes of a publishing operation.

22 DR. JEANNERET: Largely editorial?

23 MR. MAIN: This is largely
24 editorial. We have specialists in design,
25 specialists in production, specialists in promotion
26 and publicity. In the sense that these are very
27 real objectives of ours to get the material out
28 to teachers.

29 DR. JEANNERET: About how many books
30 a year? Again this may change, I realize.



1 MR. MAIN: It is rather difficult
2 to estimate because what I was just going to say
3 was that many of the things we do perhaps never
4 see what you would call commercial publication;
5 in other words, our operation is very heavily
6 oriented towards prototype material, experimental
7 materials, developmental materials that may
8 or may not ever be done in a fashion that would
9 be regarded as anything more than just a trial.

10 As far as commercial or finally
11 produced products are concerned --

12 DR. JEANNERET: It would appear in
13 your catalogue?

14 MR. MAIN: Yes, it would appear
15 in our catalogue, probably in the nature of 25
16 publications a year together with the journals
17 that we produce.

18 DR. JEANNERET: Well, that is
19 substantial. How many journals?

20 MR. MAIN: Three.

21 DR. JEANNERET: On page 21 would you
22 mind expanding on the second method of assistance
23 that you propose which you say could be likened
24 to contract research? I would be glad if you would
25 explain how this might work in the bidding and
26 in the actual research, who would do the allocating
27 of projects and to whom reports would be made,
28 whose property these reports would be, and so on.
29 This is for information only.

30 MR. MAIN: I think the whole point



1 of this brief could be taken to be that there
2 must be a broader base for research, and a
3 broader base for production and availability of
4 educational materials and I think the argument in
5 general is that this kind of base has not been
6 available. Therefore, it would seem that a model
7 such as an industrial model would be a good one
8 to follow and my term "contract research" here
9 perhaps looks a little odd in an educational
10 context.

11 DR. JEANNERET: I thought it was
12 intriguing.

13 MR. MAIN: No, I am trying to draw
14 the analogy here strictly between commercial
15 research and educational research. You want a
16 job done, you say, "All right, who wants to bid
17 on it?" in essence and a satisfactory price is
18 worked out with a satisfactory report with a
19 time stipulation but at the same time assessing
20 all the elements that should be included in that
21 research not that the research be highly subjective
22 the result of a small group of perhaps teachers
23 somewhere that come up with a report after many
24 years and it hangs in thin air hopefully for a
25 publisher to come running along and take it to
26 publish a series of textbooks from it.

27 DR. JEANNERET: I wonder if you
28 could estimate a breakdown here for us? I
29 understand it can only be an estimate. To what
30 extent would you say that you are pre-occupied



1 with the editing, publication and distribution
2 of materials that bear directly on textbook
3 development and to what extent are you simply
4 the end stage of research that may not be relevant
5 to curricula and textbook development in the
6 province? Let us say textbook development in the
7 province because I am sure that most of what
8 you do is relevant to curricula development.

9 MR. MAIN: That is kind of
10 difficult to answer because a very high proportion
11 of our material is what you might call pure
12 research in the sense that you can't take it
13 right out and sell it in the quantities that you would
14 imply when you use the term "textbooks".
15 Many of our publications are doing extremely well.
16 They can circulate to the extent of 1,500 or 3,000.
17 However, we feel that this is no drawback at all.
18 That is the very essence of what we exist for.
19 So that there is a very marked number of materials
20 that are intended for small markets, highly
21 selective markets and people very highly interested
22 in the outcome. This then is quite a portion
23 and percentage of the output of the Educational
24 Division.

25 DR. JEANNERET: Perhaps we might
26 pursue this question later at some time if
27 that is agreeable to you because I realize it is
28 a complicated matter to estimate.

29 MR. MAIN: To give a very brief
30 answer it would be our hope that our materials



1 are valuable for a philosophy towards a subject,
2 for a prototype towards a subject and, on
3 occasion, our materials may be satisfactory for
4 export production without any changes or minimum
5 changes but, in essence, I think we feel that
6 our purpose has been fulfilled if we act as
7 a resource base and on occasion materials we
8 produce will be perfectly satisfactory for commercial
9 publication but the chances are they won't be.

10 DR. JEANNERET: This next question
11 I ask partly because of your long previous
12 experience in publishing as well as your present
13 position.

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1 Without prejudging anything, and
2 we always say that, I think the introductory
3 paragraph to your Part V, which begins at page
4 23 is superbly put together. At the top of
5 page 24 you say -- and I think it is in a
6 different context:

7 The prime requisite of a
8 flourishing publishing industry
9 is a market as large and as
10 uniform as possible."

11 That is your quote. Isn't this an exact
12 definition of the continental kind of market
13 which the foreign-owned publisher and the
14 Canadian branch might be coming here to encourage
15 and develop? In fact, the whole first paragraph
16 on that page could be a description of what a
17 foreign-owned publisher might prefer to find,
18 although I believe you argue in favour of a
19 coordinated Canadian education textbook market
20 rather than a coordinated continental textbook
21 market. Would you like to comment on that at all?

22 MR. MAIN: The comment reveals,
23 I suppose, some of my frustrations drawing
24 from my period as a textbook publisher. Yes,
25 in this context I am referring to the Canadian
26 market and above and beyond that, my feeling,
27 my desire for a Canadian educational identity,
28 and my frustration to some extent that we did
29 not seem to have the proper machinery to
30 create Canadian educational materials that will



1 have this uniform appeal across the country.

2 On a secondary plane I would say
3 that this is the essence of a continental policy
4 too. I see no reason why we should not have
5 materials going both ways across the border.
6 Personally I have been involved with some materials
7 that I felt should have gone across the border
8 the other way and for many reasons, for one or
9 two simple reasons, they did not go across the
10 border. These are problems, I think, that we
11 all face. The essence of the problem to me is
12 that if we develop sound educational materials,
13 hopefully, with a Canadian orientation, they
14 should have every right to exist across this
15 country and also to be able to call forth a good
16 response from any other markets as well.

17 DR. JEANNERET: I think your
18 position on the importance to any program for
19 educational development of a provision for what
20 you call articulation and communication in the
21 field, is particularly well taken. I may be
22 one of the most creative ideas we have heard.
23 I don't know yet. I am not quite sure from the
24 remarks that follow, and this is on page 26,
25 whether you are saying that the institute now
26 provides this adequately for the first time,
27 or that the institute should be encouraged to
28 provide it better than it does right now. Would
29 this articulation and communication, as you
30 see it in this ideal form, also involve educational



1 publishers directly with the market that you
2 are seeking to serve in a way that would permit
3 them and encourage them to scrutinize the
4 effectiveness, the effect of experimental
5 materials that they might be wanting to develop?
6 I think this is a very important topic that
7 you are proposing, I think, that the Institute
8 acts as a kind of -- forgive the expression --
9 interphase between educational publishers, and
10 the community they are serving? Is this right?

11 MR. MAIN: Going back to the
12 first part of your comments for a moment, I
13 think the Institute at this point is very much
14 desirous of improving its cooperation and its
15 contribution in this area of education.
16 Certainly I have some words from Dr. Jackson's
17 notes and I withdraw them ---

18 THE CHAIRMAN: Would you also
19 use "acceptance"?

20 MR. MAIN: That is also appropriate,
21 I think, in this case. We do not by any means
22 claim that we have found the answers. I think
23 there is an answer out there waiting for somebody
24 to solve it and it must be solved very quickly.

25 DR. JEANNERET: You have the
26 machinery, perhaps?

27 MR. MAIN: We have the machinery
28 and, from a mechanical point of view, I would
29 hope our assets would tend to be a satisfactory
30 kind of arrangement or part of a satisfactory



1 arrangement in this area.

2 THE CHAIRMAN: This begs the
3 question and that has to do with the relevance
4 of the programs then to educational publishers
5 generally. I don't say it necessarily follows
6 that ~~every~~thing you should do should be publishable
7 by educational publishers in the educational
8 field, but to what extent has relevance been
9 found to exist or not to exist or exist
10 adequately? Would you comment on this?

11 DR. JACKSON: You mean to
12 education generally?

13 DR. JEANNERET: Usefulness
14 to an educational standpoint of publishing.
15 Our research programs -- this isn't necessarily
16 the only criterion to use at all in judging
17 their validity. I would be the first to say
18 this, but if you look at the studies in
19 progress at any given time, would a reasonable
20 proportion of them have some implications for
21 educational publishers, commercial educational
22 publishers.

23 DR. JACKSON: Yes, indeed, if
24 the curriculum is in the right field. Our
25 primary purpose is not to serve the educational
26 publisher.

27 DR. JEANNERET: No, I based
28 my question on that assumption. Has it been
29 your experience that you have been able to
30 achieve this liaison as often as you would like



1 and hope for?

2 DR. JACKSON: I think in making the
3 proper contacts or whatever you want to call it with
4 the educational publishers to date.

5 MR. MAIN: Adding to your question
6 a little bit, I think most of the points here
7 that certainly I was attempting to make, I would
8 hope bear on the future and its possibilities,
9 rather than the course of looking at the
10 existing patterns and the existing arrangements.
11 This specifically applies itself to needs
12 for educational publishing and if and when
13 we find the solution to this problem, in effect,
14 I am saying we are ready and we are willing to
15 be a very active part in such solutions.

16 DR. JEANNERET: I would like
17 to say what I said on a previous occasion that
18 I think this is a remarkably well organized
19 brief. I was delighted with it. I keep
20 asking myself this and I did keep asking myself
21 how idealistic is this, this point, this point
22 and this point? Does it work or is it going
23 to work? These are questions we are going to
24 have to worry about.

25 DR. JACKSON: I think it would
26 be hard to say it has to work if our prime
27 objective is not met.

28 DR. JEANNERET: What proportion
29 of the 5 and 3/4 million, as I recall it, is
30 earmarked for publishing?



1 DR. JACKSON: A very small part of
2 it. The section for publishing is decided
3 in terms of value and of studies, as well as
4 research and development, which is a very small
5 section of that.

6 MR. CAMP: I really am
7 struggling to find relevance here. Your major
8 point, though, as I would understand it, is
9 that if you could somehow establish enough
10 cooperation -- I am talking about education in
11 Canada now -- among the provinces with some kind
12 of encouragement from the federal government,
13 which would lead toward the standardization of
14 curriculum in Canada, therefore, standardized
15 texts and materials, greater analysis -- are you
16 with me?

17 DR. JACKSON: I quite understand
18 the text and curriculum. The basis of material ---

19 MR. CAMP: I would think that --
20 and this would come from the initiative of an
21 institution such as yours -- you would be the
22 resource base? I am reading a sentence:
23 "Support for educational research and development
24 should be flexible, to allow academic freedom, but
25 should also be directive in its concentration on
26 concerns in Canadian education."

27 DR. JACKSON: In certain fields.
28 You get tired of reading about George
29 Washington and Abraham Lincoln all the time.
30 They are not Canadians, but other materials
developed by our Department and other departments



1 of the Institute can, I think, be used for
2 Canada, and Canada as a whole would have direct
3 relevance to other points in Canada with changes
4 there the provincial departments of education
5 would wish to make or, in some instances, it
6 would be completely centralized where the local
7 boards would be able to pick and choose among
8 these.

9 MR. CAMP: It is true that to
10 some degree the provincial authorities of
11 education would be governed by the constitution?

12 DR. JACKSON: That is right.

13 MR. CAMP: It is an inherent
14 factor, then?

15 DR. JACKSON: It certainly is,
16 but if there is no research and development
17 basically being done on any of these fields,
18 sufficient to provide the necessary information
19 and materials, if we do some in Ontario, and
20 we certainly welcome any other provinces doing
21 whatever is possible, and it would be much
22 better for their purposes to do some of the work.

23 MR. CAMP: Of course the
24 publishing industry, such as it is, most of it
25 is here.

26 DR. JACKSON: Yes, I know.
27 Of course, in the old days anything that started
28 in Ontario, the idea was it would spread to
29 other parts of the Dominion of Canada, but that
30 no longer holds.



1 MR. CAMP: Of the books and
2 periodicals you publish, I assume these have
3 national distribution?

4 DR. JACKSON: The journals have
5 very large distribution in all parts of Canada.
6 I guess we would call it a free distribution to
7 practically all libraries and institutions and
8 faculties of education all across this country.
9 This is very definitely a national distribution.

10 MR. CAMP: As to your titles,
11 I was wondering if any of you have experience in
12 publishing, English or French?

13 DR. JACKSON: We haven't touched
14 that. We are only beginning to touch the French
15 side. We had enough of a job to begin with
16 on the English-speaking side and hopefully --
17 we have very many studies now beginning, some of them
18 are on their way, certainly for the French-
19 speaking children of the Province of Ontario.
20 We have, I think, to depend on Quebec for much
21 of this ground work.

22 MR. CAMP: I am very sorry, I
23 didn't hear the last part of your remarks.

24 DR. JACKSON: I was wondering if
25 Dr. Brown would like to speak to this directly,
26 for instance, in terms of What Culture? What
27 Heritage?

28 DR. BROWN: That was the only
29 example I was going to mention, was that this
30 is distributed so broadly, one could easily call



1 it a Canadian best seller and it is translated
2 into French. How many copies are distributed
3 in French?

4 MR. MAIN: A rather disappointing
5 number.

6 MR. CAMP: What publication
7 are you talking about:

8 MR. MAIN: This is from the
9 Canada Studies Foundation. It was initially
10 responsible for --- What Culture? What Heritage?

11 MR. CAMP: Is that Bernie
12 Hodgetts?

13 MR. MAIN: What Culture? What Heritage?
14 was translated into French. I would think in
15 relation to the Canadian distribution, French
16 distribution would be about five per cent.

17 MR. CAMP: As an aside, who
18 publishes the Bernie Hodgetts book?

19 MR. MAIN: We did.

20 MR. CAMP: Did anyone make any
21 effort to publish that book?

22 MR. MAIN: I believe at the time
23 there were a number of publishers interested
24 in it but the dissemination of it was his
25 prime concern. I believe he felt his purposes
26 would be best served by immediate publication
27 and facilities were available here and he
28 went ahead and used them. I might say I
29 believe the Institute would look on that publication
30 as being the epitome of what it hopes to do and



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1 what it would like to do and the kind of
2 thing that it is necessary to do.
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1 MR. CAMP: I know something about --
2 and when I say "something" I mean precisely
3 something -- about the genesis of it and about the
4 ongoing activity and about some of the difficulties
5 that he has encountered or that his committee has
6 encountered which indicate -- my colleague,
7 Dr. Jeanneret, said "idealistic" and I was really
8 struggling to determine the practicality so I
9 just really have one more general question to
10 which I would invite an answer as general as
11 you wish to make it.

12 You say in recommendation 20 on
13 page 33,

14 " The federal government within the
15 limits of its present powers, recognizing
16 the national need for educational material
17 of high calibre, should recognize
18 education as being part of its mandate
19 for the maintenance of Canadian culture."

20 Now, admitting to the constitutional
21 realities and the political realities, how would
22 you indicate this could be done, in what specific
23 areas? I assume one of them would be the awarding
24 of federal funds directly for educational research
25 such as yours. Is there any precedent for that?

26 DR. JACKSON: A precedent here
27 or in other countries?

28 MR. CAMP: No, Canadian precedent.

29 DR. JACKSON: Not in the direct
30 sense of direct financing for research and



1 development institutions. Do you want to add a
2 point?

3 DR. ANDREWS: The federal
4 government for constitutional reasons obviously
5 must stay away from direct grants to education
6 or grants that are directly identified as being
7 to education. As I am sure you are aware they
8 have undertaken a number of programs in support of
9 research and development work in education that
10 are identified as coming under other fields.
11 For example, it is expected in the near future there
12 will be considerable federal money moved into
13 research and development work in education as a
14 result of the follow-up on the Biculturalism
15 and Bilingualism Commission so that while it is
16 not called educational research and development as
17 such, there are precedents for it and I would
18 take it that John's recommendation here is in
19 effect supporting the extension of that kind of
20 program.

21 People in the political world
22 would care a great deal whether it was identified
23 as education, research and development or not.
24 People in our world don't care as long as we get
25 the funds.

26 DR. BROWN: A specific example
27 in addition to monies which we have received
28 which have gone into research and development
29 programs here --

30 MR. CAMP: What was the schedule?



1 DR. BROWN: Schedule 10. In
2 reference to the recommendation regarding
3 maintenance of Canadian culture we do receive
4 monies at the present time, grants -> perhaps
5 Bob could specify them more exactly, for Indian
6 studies. These come in a variety of ways and they
7 work their way into our publications program,
8 notably the Blackfoot Indian Kit which is available
9 at the present time.

10 MR. CAMP: Really the implications
11 of No. 20 of your recommendations is really
12 increased federal assistance in research.

13 DR. JACKSON: I would see it broken
14 open and more accepted that the federal government
15 should, in fact, support, if not the whole cost,
16 most of the cost, of basic research in education
17 whether it be of a national application or
18 restricted to any one province but this goes beyond
19 what any government is ready to listen to at the
20 moment except they do in other fields.

21 MR. CAMP: Just one final point
22 for my information. I realize this is a unique
23 institution but is there anything corresponding to
24 this institution in the province of Quebec?

25 DR. JACKSON: No, there are no grants
26 for educational research from the Quebec Department
27 of Education but there are direct grants for
28 research. The only other agency approaching
29 this would be the Faculty of Education and they
30 are not on a direct grant.



1 DR. BROWN: The Institute for
2 Educational Research has a direct grant. This
3 is in Quebec City and is actually part of the
4 Department of Education so that it would try to
5 carry forward studies of the nature that we do
6 here but on a much reduced scale, there being a
7 much smaller budget on the one hand and, on the
8 other hand, they are part of the department and
9 thus do not have the freedom to innovate. They
10 have done considerable work within those bounds.

11 THE CHAIRMAN: In relation to Indian
12 studies, how much do you get to support that kind
13 of a study?

14 DR. JACKSON: The largest amount,
15 so to speak, if I might be excused for not giving
16 you the exact figures, but the total amount that
17 we will get from them eventually, that we have
18 already received promises for, are in the order
19 of \$100,000, so it is fairly substantial. I
20 think there will be more there if we can demonstrate
21 the need for the studies and the worth-whileness
22 of the results of the studies. There is no
23 doubt about the need as far as Indian education
24 is concerned.

25 THE CHAIRMAN: You have undertaken
26 research in regard to an Indian educational
27 solution?

28 DR. JACKSON: Yes, we have a
29 group working on Manatoulin Island, mention was
30 made of the Blackfoot Kit although that is primarily



1 concerned with materials which we have used for
2 white children to enable them to understand the
3 other culture, although I think it serves a very
4 real purpose for the Indians themselves to learn
5 about their own culture.

6 We also did have studies under way
7 at Moosonee and some other parts of the province
8 of Ontario.

9 THE CHAIRMAN: These studies are
10 in the main for white people?

11 DR. JACKSON: Yes.

12 MR. MAIN: Not necessarily, there
13 are some Indians on the project.

14 THE CHAIRMAN: I am happy to hear
15 that because you usually get a white man studying
16 Indian matters.

17 DR. ANDREWS: In the Manitoulin
18 project the project was under the direction of
19 whites from OISE and whether white or black they
20 were not Indians. There were Indian teachers
21 involved in the project.

22 DR. BROWN: I know on several
23 projects there will be an advisory body, an
24 advisory committee to the project itself on which
25 there will be one, two or more Indians represented.

26 MR. MAIN: Mr. Chairman, if I could
27 go back for a minute to Mr. Camp's comment, I
28 would certainly like to clarify my own understanding
29 that in talking about materials that might or might
30 not be supported or subsidized by the federal



1 government I don't think -- and it certainly
2 was not my intention to mean basic curriculum
3 materials of the nature that one series of
4 arithmetic books has been called the Canadian
5 arithmetic books and would be intended to go
6 coast to coast. I think I would like to bring
7 out my final recommendation, No. 22, that there
8 is such a wealth of material these days that
9 can be called educational materials that I see
10 no reason within the bounds of the federal
11 constitution and within the restrictions applicable
12 to it that the federal government, or individual
13 provincial governments should not support the
14 creation of materials that are not necessarily
15 textbook materials but have every reason to be
16 useful and usable in schools.

17 My final recommendation is that
18 the school material now is definitely multi-
19 media and any publisher now is preparing not
20 only print material but a vast array of non-
21 print multi-materials and it gets so that you
22 can call the CBC and the National Film Board

23 publishers because many of the materials they
24 prepare are beautifully useful in a classroom.

25 With the educational approaches being used these
26 days, these materials lend themselves tremendously
27 to resource studies, to studies in depth, to
28 individualized teaching projects and this kind of
29 thing, so that implying that the federal government
30 even within the basic organizations that are



1 established could undertake to bring material to
2 an availability point which could be useful in
3 education, this is a perfectly straightforward
4 and quite within the present constitutional
5 boundaries as far as I am concerned. in the creation
6 of educational materials.

7 MR. CAMP: That is a helpful
8 clarification to me which leads me just to ask:
9 Are you doing anything in co-operation or
10 association with ETV?

11 DR. JACKSON: Oh, yes, actually
12 we have several agreements with them for the
13 supply of material.

14 THE CHAIRMAN: May I ask please,
15 to what extent do you consider it should be the
16 role of the Institute to advise or give advice
17 in relation to preparation of texts for use
18 in the elementary and secondary school systems
19 of Ontario?

20 DR. JACKSON: I think this is
21 rather difficult to answer. You would probably
22 get different answers from different people. My
23 own point of view is that we take the material to
24 a certain stage, maybe curriculum material or
25 basic textbook materials and that they are then
26 really placed in the public domain and anyone
27 may use the material and we would not necessarily
28 be involved from that point on in the preparation
29 of textbooks although advice might be sought from
30 us, naturally.



1 THE CHAIRMAN: You are discussing
2 the question of the material that you prepare
3 yourselves. I am thinking of it in an entirely
4 different fashion. I am thinking of the Department
5 of Education Circular 14 or the preparation of
6 a new curriculum. To what extent are you called
7 upon, if you will, to advise the Department of
8 Education on the basis of the research that you are
9 doing as to the acceptability of a curriculum or
10 how it should be structured and things of this
11 kind?

12 DR. ANDREWS: This is a question,
13 Mr. Chairman, which touches on a matter which we
14 have had a great deal of interest in recently,
15 and have been working on it in some detail
16 with the Department of Education. The department
17 has recently undertaken a program purely on a
18 revision of the curricula in various subject fields
19 in the schools based largely on a five-year
20 cycle, when a subject would be up for review
21 each five-year period.

22 In attempting to provide exactly
23 the kind of assistance you have referred to, we
24 are organizing and are in the process of organi-
25 zing a project which would phase into the cycle
26 of the Department of Education in such a way that
27 in advance of the review of particular subjects,
28 such as teaching physics, we would be in a position
29 to provide the department's people with the state
30 of current knowledge about the teaching of physics



1 drawn both from the research and development work
2 done in the Institue and research and development
3 work done wherever it may have been done with
4 relevance to the problem.

5 THE CHAIRMAN: Are you being asked
6 to do this or are you doing it of your own motion?

7 DR. ANDREWS: It has grown out
8 of our continuing discussions with the department.
9 Whether we suggested it or they suggested it,
10 I think has been lost in committee meetings.

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1 THE CHAIRMAN: Let me ask you this:
2 To what extent do you consider this role, because
3 it does relate to the publishing of texts to
4 what extent do you consider this role as
5 being one of importance in the work of your
6 Institute?

7 DR. ANDREWS: We regard this
8 as central to our work and for this reason
9 our most enthusiastic launching of the event you have
10 just described.

11 THE CHAIRMAN: You are getting
12 into it now, you are just beginning?

13 DR. JACKSON: We have done, or
14 have had some contacts of the same type, but
15 not to the extent we had wished as an Institute.
16 One of our main purposes is to work in a fashion
17 such as this and we have tried over the years
18 to develop these and it is paying off and
19 contacts have been made.

20 THE CHAIRMAN: I would have thought
21 one of the prime justifications for your
22 Institute's existence, if you will, would have
23 been to draw upon your research, knowledge,
24 and your facilities in doing this very thing,
25 the preparation of standard for texts and
26 curriculum. If you are only into it now in
27 the beginning stage after six years of preparation,
28 I wonder if there is some lack of acceptance
29 or if there is some inability to communicate
30 between the two organizations?



1 DR. ANDREWS: Just on that point
2 before we leave it, we have done a good deal
3 of this work in the past, but on a less formal
4 basis, a less well organized basis. What I
5 am describing as the project we are now launching
6 into is the culmination of efforts which we
7 have worked up to that point. There has been
8 a great deal of consultation between the
9 Institute and various parts of the Institute
10 and people in the Department of Education.
11 I think that Dr. Jackson's recent statement
12 should be underlined that these contacts have
13 not been as frequent or as meaningful as we
14 would like to see them. We have been working
15 toward this end. I think it is true the
16 Department of Education has been working toward
17 this end also. Part of the difficulty, of
18 course, is simply that the relationship between
19 our kind of work, R & D in education, and the
20 actual operation of the schools, which is the
21 Department's business, is a pioneering kind
22 of relationship. It simply has not existed
23 before and it takes time with the best of
24 intentions on both sides.

25 THE CHAIRMAN: It strikes me
26 you research yourself until you are blue in
27 the face and it doesn't have some effective
28 value until someone puts it out the other
29 end of the machine into the system.

30 MR. MAIN: Mr. Chairman, if I may



1 refer to page 18 of the brief, I think you are
2 on the crux of the dilemma right here. On page
3 18 I tried to state the case, or the fact that
4 this very relationship has been the essence
5 of publishing that has been lacking in the past.
6 I have spent innumerable hours of my editorial
7 life trying to define and divine what is required,
8 what do they want, what is needed? There has
9 not been adequate preparation, there has not
10 been access to the proper sources of research
11 or to teacher communication to actually get
12 materials prepared on a very solid foundation.
13 The point I am trying to make in the second
14 paragraph on page 18 is that this act of
15 creation of educational materials is a team
16 effort but the team must be composed, not of
17 people from any one area, or any one discipline,
18 it must have researchers, it must have Department
19 of Education people. For heaven's sake, it
20 should have kids in it as well. There has
21 been too much curriculum construction of a
22 theoretical nature with no opportunity or
23 testing for prototype development in the
24 defining of materials before a publisher is
25 faced with the normal risks of selling the
26 material.

27 THE CHAIRMAN: If we are on the crux of
28 the question,
29 what is it the Institute might suggest to us
30 that we might recommend that might assist in
meeting the problem which you are now talking about?



1 DR. JACKSON: I would like to
2 add two other points in regard to developments
3 recently.

4 THE CHAIRMAN: Before you get
5 away from that, would you answer that question?
6 Is there something you would suggest to us we
7 might recommend that would assist in bridging
8 this situation?

9 MR. MAIN: The essence
10 of what I hope the brief brings out is that
11 in order to establish a Canadian educational
12 publishing foundation, the mix of elements
13 must be broader and deeper. We should guard
14 against the frailties of the past in having
15 too shallow resource base for the creation of
16 curriculum materials, a resource base primarily
17 oriented to the Department of Curriculum which,
18 in effect, means one man's opinion or two men's
19 opinion or, perhaps, half a dozen men's opinion,
20 who are Department of Education people. The
21 mix should have these other elements in it
22 at the same time and it should be soundly
23 done, not in Saturday morning sessions or
24 bring representatives in from the spectres,
25 or local inspectors or local officers for a
26 one-day session and cook it up from there and
27 send it out with instructions to the schools
28 that it should be instituted in six months with
29 no lead time, no time for publishers to prepare
30 materials. I think, in essence, the brief takes



1 the argument that the construction of materials
2 must be much more thoroughly researched and
3 done and prepared and refined before our
4 schools take the material or are required to
5 take the material, or the publishers are able
6 to publish them as a publishable project with
7 all the elements of a good, saleable commodity
8 at the same time.

9 DR. JACKSON: The first point
10 I wanted to make was, I wanted to clear up one
11 point. You mentioned what seems to be a long
12 period of time without direct plans being
13 made with the Department of Education. I remind
14 you that now we have had four Deputy Ministers
15 in a short period of time, a complete
16 reorganization in the Department of Education and on
17 a highly decentralized basis. So we have had
18 our difficulties with changes in Deputy Ministers,
19 changes in the Department of Education and
20 you can't make the contacts you would like.

21 The other point I would like
22 to make, with regard to the work in the different
23 parts of the province in what we call field
24 centres. We are working directly with the
25 local representatives of the Department of
26 Education, the local school boards, the local
27 teacher organizations and parents organizations.
28 This is a recent move on our part, which is
29 just three years old now, and it promises a
30 very great deal in regard to direct involvement

by the student in this type of work.

THE CHAIRMAN: What are the field workers doing? Are they researching, giving advice, or what are they doing?

DR. JACKSON: They are trying to define, help the local people define what their needs are and provide resources, either from the Institute or themselves or from the local people themselves, which have local resources they don't really appreciate. In some of these fields they are undertaking small research projects or of a specific nature, but not trying to duplicate in any sense research work that is going on here.

THE CHAIRMAN: Dr. Jackson, I noticed in your preliminary remarks which you made that you made reference to cows and fish and things of this kind. It is not often we get the horse here as well. We got one or two things from the horse's mouth. Since in that context you are here and that the Institute is a graduate school in education, an independent college with its own degree-granting powers and its own board of governors, you are in a position, I think, to give us some information we have not yet been able to achieve. My line of questioning will relate to a position that was brought forward before I think it was one of the Committees of the Legislature on April the 22nd. That relates, of



1 course, to a matter that concerns us greatly,
2 and that is the population of our educational
3 system and the impact on the texts and other
4 publications of the American influence. I want
5 to ask you one or two question about it, but
6 before I do so, I want to get an understanding
7 of the situation. I believe that, according
8 to this report, Dr. Andrews advised the Legislature
9 Standing Committee on Human Resources that
10 54 per cent of the 162-man OISE faculty is
11 Canadian and 33 per cent of the teachers are
12 U.S. citizens and 13 per cent come from
13 other countries. Is that an accurate
14 statement, Doctor?

15 DR. ANDREWS: I believe so, yes.

16 THE CHAIRMAN: Yes. 162-man
17 faculty on April 22nd. In your brief you say
18 150.

19 DR. JACKSON: 162 includes
20 what you call sessional appointments. We are
21 speaking of the permanent staff.

22 THE CHAIRMAN: You say in your
23 preliminary remarks as well:

24 "In short, we have come
25 a long way in Ontario, but
26 very much more needs to be done.
27 The arguments in the Brief clearly
28 indicate this applies as strongly
29 to publishing as to our other
30 activities. Without the research



1 and development work so
2 urgently needed, the future of
3 educational publishing in the
4 province and nation is very
5 bleak indeed. Unless we do our
6 own research and development,
7 of course, we will continue to be
8 dependent on that of others -
9 the unwilling recipient of 'hand-
10 me-downs' largely from our
11 American neighbours, no matter
12 how poorly they fit. It seems
13 clear to me that, in a field as
14 vital as education, we must develop
15 our own findings and materials
16 or risk loss of our Canadian
17 identity and independence."

18 Then in the brief itself by
19 Mr. Main, on page 24, there is another reference
20 to the need for a characteristically poCanadian
21 point of view and you say:

22 "If there is a Canadian identity,
23 it obviously must be served by
24 materials of particularly Canadian
25 bias. . . . Requirements in
26 academic training, in research
27 and in curriculum can only be
28 met through materials prepared
29 specifically for Canada."

30 Since the horse is here, I



1 would like to know, what causes your -- I am
2 not going to ask you to speak for any other
3 university or college or anyone else, but it
4 is only hearsay to this point, but we hear of
5 the massive population of our post-graduate
6 institutions in Canada by people from the United
7 States and in this instance, you have given us
8 certain figures. If you would explain to me
9 and to my colleagues what it is that compels
10 you or moves you or puts you in a position whereby
11 you have 33 per cent of the teachers who are
12 United States citizens?

13 DR. JACKSON: The answer is very
14 simple. When we started this Institute our
15 first step was to put on our staff as many
16 Canadians, and ex-Canadians, we could locate.
17 We reached the point where we came to the end
18 of the supply. This is largely a fact of our
19 past history and an aspect I am not very proud
20 of, and that is we have not in this country
21 provided graduate work in education anywhere
22 near the scale that is needed. It is evident
23 we in Ontario now, since we started the Institute,
24 can admit only one out of two or one out of three
25 of the people who want to come here for graduate
26 work in education. In the past we had a very
27 small graduate department in the College of
28 Education and most native Canadians who wanted
29 undergraduate work, had to go elsewhere for it
30 and many of them did not return.



1 We did not coax
2 them back because they held high positions in the
3 United States and other parts of the world. It
4 is a case that we are paying off now for neglect
5 of over 30 years and we are paying in terms of
6 33 per cent Americans, if you want to look at it
7 that way. We picked the best we could get but
8 there are not the Canadians available.

9 THE CHAIRMAN: Will there be
10 Canadians available in the future, do you think?

11 DR. JACKSON: Yes, we will be
12 turning out enough from our own graduate program,
13 enough to make a change, and we are employing our
14 own graduates, of course, but one of the prime
15 reasons for starting this Institute was the
16 recognition by Mr. Davis in particular, that
17 graduate work had to be expanded in this province
18 and in this country if we were to make these
19 people available.

20 MR. CAMP: There is no tenure?

21 DR. JACKSON: No tenure.

22 DR. ANDREWS: I would like to just
23 add a thought to the last point. We predicted
24 some years ago with the proportion of Americans
25 climbing that this proportion would rise to a
26 certain point and then as the production of
27 Canadians began to increase, partly as a result
28 of the efforts of this Institute, the proportion
29 of Americans would begin to taper off. That
30 effect has, in fact, been borne out on a rather



1 small scale but it is over the peak. There were
2 35 per cent Americans last year, 33 per cent this
3 year, and we expect the curve to continue to go
4 downward.

5 THE CHAIRMAN: Do you expect the
6 curve to disappear?

7 DR. ANDREWS: I would hope that it
8 would never disappear in the sense that I would
9 hope that there would never be a time when we had
10 no Englishmen on our faculty or French Canadians
11 on our faculty or a particular member of any
12 ethnic group. We aspire to Canadian identity in
13 terms of Canadian emphasis on the faculty. At
14 no time do we feel it is undesirable to have
15 international influence. We do feel that a
16 particularly large percentage of Americans does
17 not legitimately constitute an international
18 influence. It is an American influence

19 THE CHAIRMAN: I couldn't quite hear
20 you at the end.

21 DR. ANDREWS: I want to make the
22 point that we feel quite comfortable with having
23 a reasonable proportion of people on our faculty
24 from other countries. When the proportion from
25 a particular other country becomes very high that
26 gives us some concern in terms of Canadian identity.

27 THE CHAIRMAN: Are you concerned
28 at this time with the numbers you have now? I
29 want to get your answers, I am not leading to
30 anything in particular, but are you comfortable at



1 this time?

2 DR. JACKSON: No, we are concerned,
3 and are taking steps to correct the imbalance, if
4 you wish to call it that. We have had no choice
5 up to this point. Now we are at the point where
6 we have a choice and we are taking advantage of
7 it.

8 DR. JEANNERET: As a matter of
9 interest, where do your copyrights vest?

10 DR. JACKSON: In the Board of
11 Governors of the Institute.

12 DR. JEANNERET: The work of those
13 on the staff -- I don't know how you define this
14 and perhaps you would like to give us this
15 information thoughtfully later -- if the work of
16 your staff, the research writing of the staff
17 related to their work here it would vest in the
18 Board?

19 DR. JACKSON: Where the cost of
20 the project is borne by the Institute we feel
21 the copyright would vest with the Institute.
22 Now, I am not speaking here of scholarly papers
23 and so on published in journals and so on. I
24 am speaking of actual products produced by the
25 Institute and the project rather than the scholarly
26 writing itself.

27 DR. JEANNERET: Mr. Main must have
28 had to answer some very good questions with
29 regard to exports to the United States.

30 MR. MAIN: The new approach to



1 music represents what I feel is an excellent
2 example of the type of co-operation that has
3 been published here representing an outgo of
4 effort here by Ontario teachers that produced a
5 book that was commercially viable and was then
6 made available to the Canadian Textbook Publishers'
7 Council through the procedure we have developed.
8 Publishers interested in it were encouraged to
9 indicate their interest; in this case a particular
10 company followed the interest up. He has published
11 it, our name is on the book as the developer of
12 the material, the copyright, as Dr. Jackson says,
13 is held by the Board of Governors of the Institute
14 and any royalties accruing will come back to the
15 Institute.

16 MR. CAMP: Dr. Jackson, just help
17 me with the thesis I am trying to construct here.
18 Would you say because of the provincial character
19 of education in Canada, which is an achievement
20 or otherwise of the constitution, is one good
21 reason why we have this predominance of the
22 American textook and educational materials in
23 the country? In other words, has the constitution
24 left a vacuum that creates this or has our
25 educational tradition left the vacuum

26 DR. JACKSON: It has led to a
27 position or a set of circumstances where it is
28 probably not economically feasible for a
29 publisher to publish for a limited market such
30 as would apply in only one province. Take one



1 of the Maritime provinces, for instance, take
2 Prince Edward Island. The publishing for that
3 market would be almost suicide.

4 MR. CAMP: Correct, but the fact
5 is that the vacuum is filled primarily and largely
6 by the United States publishing in educational
7 fields, is it not?

8 DR. JACKSON: Well, we get our
9 materials from whatever source is available.
10 We have had in many cases to accept American
11 materials even though we would prefer not to use
12 them without adaptation or without changes. I
13 mentioned George Washington and Abraham Lincoln
14 but even more significant are some of the documents
15 that come forward which have references to the
16 American citizenship, the American flag, and so on,
17 which do not sit too well on the Canadian conscience.

18 MR. CAMP: But the achievements
19 that your brief seeks and the purposes it seeks
20 to achieve in your recommendations, for example,
21 can only be the creation of a Canadian publishing
22 program?

23 DR. JACKSON: I would say yes.

24 THE CHAIRMAN: Gentlemen, thank
25 you very much indeed. We have enjoyed the discussion
26 and it has been most helpful. The record may be
27 useful to you as well as to us.

28 DR. JACKSON: It will, indeed.

29 -----
30



SUBMISSION OF UPSTAIRS GALLERY

THE CHAIRMAN: We have with us Mr. Saul Field of the Upstairs Gallery and Mrs. Ayres. Welcome and I wonder if you could do the same for us and that is touch on the high points of your brief.

MR. FIELD: Well, the Upstairs Gallery is a publishing house of hand-printed editions and our readership is a very limited one until these editions are taken out of their portfolios and spread out in a gallery as an exhibition and then they go back into their folders. Basically, they have been used and purchased and are required in institutions of higher learning throughout North America by the libraries of the various universities and colleges.

They are editions of up to 150 of a book. This is my most recent one which I am going to hold up called, Birds of the Petrogoyphs.

DR. JEANNERET: I am not hearing you very well, it may be the microphone or it may be me.

MR. FIELD: This particular book, the Birds of the Petrogoyphs is the most recent edition that we have published and it is an Ontario subject. We would like to see a facsimile edition of this book published but our present operation does not permit us to do it. All we can do is publish hand-printed editions which are



1 physically pulled by hand of the various engravings
2 that are contained within this portfolio.

3 One of the books which was my
4 Centennial Project, Legends of French Canada,
5 later was published as a book here in Toronto by
6 Peter Martin and Rodrigue Lemay in Ottawa and
7 that particular one was used, it was exhibited at
8 Expo in a number of pavilions, and Mayor Drapeau
9 used the particular book as a gift for visiting
10 dignitaries. This is a subject that I make
11 reference to in my brief.

12 I am not going to take up too much
13 time, I know that you are running late and you
14 are aware of the contents of our brief. There
15 are two points that I would like to stress and
16 that is first, that I would like to see more
17 government bodies emulating Jean Drapeau in using
18 original works by Canadian artists for presentations
19 such as he has done to visiting dignitaries.
20 The other point is that these particular works of
21 art by Canadian artists should receive a wider
22 audience than just an esoteric one or an
23 institution of higher learning. I would like to
24 see books of this nature reproduced in multiples,
25 say, instead of an edition of 150 say, an edition
26 of 3,000 and each of them should be deposited in
27 the libraries of the secondary schools throughout
28 the province so that they would, in effect, become
29 part of the curriculum and the work of the artists
30 would become known to Canadians, Canadian students



1 and at the same time it would give the economic
2 opportunity to Canadian artists to further their
3 market which is always a problem.

4 Having said this, I would be glad
5 to answer any questions which the Commission may
6 wish to ask me.

7 DR. JEANNERET: Just one question.
8 You have echoed the thoughts of many other creative
9 people who have come before us about a cultural
10 development fund to be made available to publishers
11 at a low interest rate. How would you propose
12 that this be administered, just as a matter of
13 interest? We have discussed this from many
14 angles but we would be glad to have your thoughts
15 on how it might be administered objectively.

16 MR. FIELD: Well, I have received
17 grants from the Canada Council and I have received
18 grants from the Province of Ontario Council for the
19 Arts. That is quite a simple way, it is a
20 direct procedure and it is a very worthy one
21 and it has done a lot. I don't know what it is
22 doing for other people but I know what it has
23 done for me, enabling me to double in the case
24 of the grant of the Canada Council, the research
25 on one of my portfolios, James Joyce's Ulysses.



1 on James Joyce's Ulysses, without
2 that grant I would have been unable to make
3 the mileage, both geographically or in an
4 artistic sense. The other grant from the
5 Province of Ontario Council for the Arts has
6 also been very helpful and there have not been
7 any strings attached to them. This is all
8 done -- an artist has an idea and makes an
9 application for a grant and he gets it. I think
10 a similar situation should exist in the publishing
11 field and I, for one, in my case, would like to
12 see an extension of the idea where either the
13 artist can have hand-printed portfolios because
14 there is quite an expense involved in the
15 preparation of one of these portfolios, the box
16 and the type that has to be printed, the text
17 that has to be published in there. In this
18 case it was poetry written by Mrs. Laurie Ayres
19 and there has to be compensation for the writer
20 and various expenses that are created as a
21 result of the production, so that there is
22 that cost. I know that I could reach a wider
23 audience if there was an additional fund or
24 I could afford to go ahead and publicize it
25 and promote it. I know my work is better known
26 outside the country than it is locally.

27 DR. JEANNERET: Thank you. The
28 typesetting was done by photosetting, not by
29 hand?

30 MR. FIELD: It is the first



1 Canadian typeface by the late Carl Ayres, called
2 Cartier type.

3 THE CHAIRMAN: Mr. Field and
4 Mrs. Ayres, I am very pleased and I have not
5 overlooked in this portfolio, the yellow-bellied
6 sapsucker. It is quite a remarkable reproduction,
7 and a tremendous undertaking for this kind of
8 work. I daresay you have approached various
9 departments of the provincial government for a
10 grant and you are looking for the proposition
11 they should emulate -- who is that fellow?

12 MR. FIELD: Jean Drapeau.

13 THE CHAIRMAN: In giving them
14 as gifts, and very creditable gifts, reproductions
15 of this kind which are truly Canadian. The
16 Minister of Tourism is the kind of fellow who
17 would be interested in this and also other people.
18 You should approach them as you go along and
19 draw to their attention the opportunities they
20 have in this regard. As far as I am concerned,
21 I understand the representations contained in
22 the brief. It is good and straightforward and
23 we will pay a great deal of attention to this.

24 Do you have any questions, Mr.
25 Camp? Thank you very much.

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SUBMISSION OF THE CANADIAN BOOK MANUFACTURERS' INSTITUTE

THE CHAIRMAN: We have with us representatives of the Canadian Book Manufacturers' Institute, namely, Mr. Alloway, who is President of Consolidated Graphics Limited.

MR. ALLOWAY: Yes, sir.

THE CHAIRMAN: And Mr. Michael Pitman, the President of Copp Clark Publishing Limited.

Gentlemen, if you would touch on the high points you would like to make?

MR. PITMAN: Thank you, Mr. Rohmer. I think first of all we would like to touch on the interdependence which we see between the flourishing book publishing industry and the flourishing book manufacturing ---

THE CHAIRMAN: I wonder if you could get that microphone a little more directly in front of you so the people in the audience can hear?

MR. PITMAN: We feel there is an interdependence upon the health of a book manufacturing industry and a book publishing industry and a book publishing industry upon a book manufacturing industry. We do not feel the book manufacturing can exist without local publishing to help support it, that the export market opportunities are just not sufficient, particularly when there are disadvantages



1 in export, such as the implementation of the U.S.
2 Manufacturing Clause. Equally, we feel that
3 the Canadian publisher is likely to be at a
4 disadvantage to his competitors in other parts
5 o the world if he cannot have the benefit of
6 an efficient book manufacturing industry, and
7 without that, there is a tendency for publishing
8 to go to other centres and where we are involved,
9 in many cases, in branch publishing operations,
10 there is a natural tendency for that to happen
11 in any event.

12 There are particular problems
13 facing the publishing industry and, indirectly,
14 affecting us in the book manufacturing too.
15 We see the effect of the U.S. Manufacturing
16 Clause which has the result of not allowing
17 the book manufacturer, or indeed the printer
18 in Canada, to compete on equal terms with his
19 U.S. counterpart, the American manufacturer
20 has access to the Canadian market. The
21 Canadian manufacturer does not have access to
22 the U.S. market without prejudicing the protection
23 of copyright. That tends to mean U.S. manufacture.
24 There are particular problems also of photocopy,
25 a great deal of work which is produced and
26 sold individually is now being photocopied for
27 more than just personal use. This is affecting
28 sales of copyright material, reducing the
29 quantities of books the publishers are selling,
30 reducing the quantities that the book manufacturers



1 are manufacturing.

2 We think also that there are
3 problems of scale, that the book manufacturer
4 in Canada has to provide a rather unusual degree
5 of flexibility in manufacturing because of the
6 limited size of this market. If he had access
7 to a bigger market then there would be,
8 perhaps, economies of scale could be achieved.

9 In our brief we have not looked
10 particularly toward government grants or anything
11 of that nature by way of giving encouragement
12 to the industry. We feel that suitable
13 encouragement has been given in the past,
14 certainly in educational publishing, through
15 Circular 14 of the Department of Education in
16 Ontario. We feel perhaps other provinces
17 could follow a similar pattern, but most of all,
18 we feel that recently the implementation of
19 the intent of Circular 14 has been falling down
20 to the detriment of educational publishing and
21 book manufacturing.

22 We are very sympathetic to the
23 particular needs of trade publishing and it
24 is in this particular area where the cultural
25 element, asthetic element is particularly
26 prevalent and we feel perhaps some direct grants
27 might be provided to Canadian publishing so
28 that the quantities, perhaps, could be -- more
29 books could be published and quite apart from
30 that, the enormous risk involved in a trade



1 publication could to some extent be underwritten.

2 Do you have some comments, Mr.
3 Alloway, you would like to add to that?

4 MR. ALLOWAY: I would not add
5 to the highlights of the brief except I might
6 put on record the brief that is presented today
7 is supported and endorsed by the Graphic Arts
8 Industry Association. At our national Board
9 Meeting three weeks ago, this was formally
10 reviewed and a resolution adopted and we are
11 filing with the Commission a letter which supports
12 and endorses the brief which, in the first
13 instance, has been prepared by the Canadian
14 Book Manufacturers' Industry and our Graphic
15 Arts Industry Association, of which I am President,
16 represents a major segment of the printing
17 industry in Canada. I would think something
18 in excess of 80 per cent of the manufactured
19 group products are represented by the industry
20 and we fully endorse the submission of the
21 Canadian Book Manufacturers which they have
22 basically prepared and which has been meticulously
23 reviewed and endorsed by our industry.

24 MR. CAMP: To enlarge on
25 recommendation No. 7, both with regard to
26 why you want this done and any idea as to how
27 it could be done ---

28 MR. PITMAN: Format and copyright.
29 This particular issue involves books in public
30 domain. There are a number of books in public



1 domain, a number of them classics, things like
2 Milton's Paradise Lost and it is very important
3 that these should be kept in print, be available
4 to students and in a typographic form which is
5 acceptable within the modern framework of
6 publication. In other words, your first edition
7 may be very attractive to look at as a collector's
8 piece, but it is not a good working document.
9 If a publisher takes the trouble of having
10 a book in public domain redesigned, all the cost
11 of having the type set, it may be an artistic
12 production in which there is artistic work
13 involved in it too, in the form of typography and
14 so on and so forth, but it is rather unfortunate
15 if some other entrepreneur takes a copy of that
16 book, photographs it, reproduces it without
17 any of the overhead costs of resetting the
18 plant element and therefore competes.

19 MR. CAMP: Then there is no
20 protection under law?

21 MR. PITMAN: Not at present.
22 There is under the British Act but not under
23 the Canadian copyright.

24 MR. CAMP: What does the British
25 Act do?

26 MR. PITMAN: It does make
27 particular provision to allow for typographical
28 copyright. I could provide to the Commission
29 a copy of the British Act.

30 MR. CAMP: Would you do that?



1 MR. PITMAN: Yes.

2 MR. CAMP: We have it. There is
3 no equivalent legislation in the United States,
4 you say?

5 MR. PITMAN: Not at the moment
6 that I am aware of. There has been considerable
7 discussion about it but they do not have that.

8 MR. CAMP: Are there a great
9 many abuses such as you are describing in Canada?

10 MR. PITMAN: There have been
11 abuses. I think -- is it the Cartier Society,
12 Dr. Jeanneret?

13 DR. JEANNERET: There are some
14 flagrant examples on the west coast.

15 MR. PITMAN: It can be documented
16 in any event.

17 MR. CAMP: I think your brief
18 is very straightforward.

19 DR. JEANNERET: I think it is
20 a very important submission and comes from a
21 very important quarter and this may be the only
22 time we are talking directly to the people who
23 manufacture books in this country.

24 You recommend, on page 4, the
25 provincial government should specify Canadian
26 manufactured books for use in schools.

27 I presume this is not a recommendation for a
28 totally restricted situation, and I was
29 wondering how restricted you intended it to be?
30 Do you mean schools must not use any books that



1 were not printed here, obviously?

2 MR. PITMAN: We don't go as far
3 as that. For the use of libraries and so on
4 and so forth, it is most desirable that
5 students should have access to a very wide
6 number of books; and certainly the Canadian
7 industry is not in a position to produce all
8 of them. We do feel, though, that they should
9 be given the opportunity, wherever possible,
10 to manufacture books where it is economically
11 feasible to do so. What worries us particularly
12 at the moment is that the fragmentation of
13 the choice of materials in the schools these
14 days is reducing the print quantity down
15 to a number where it is no longer economical
16 to print and we do not believe, in the final
17 analysis that the Canadian manufacturer, or
18 Canadian publisher can compete on equal terms
19 with the run on cost of manufacture in another
20 country.



1 We feel that special consideration should be given
2 for materials that are used in quantity in schools
3 for them to be manufactured and, indeed, published
4 in Canada.

5 DR. JEANNERET: When you say
6 on the next page that two large tied plants in
7 the last year have ceased comprehensive book
8 manufacturing, I presume you are referring to Gage
9 and Ryerson, is that correct?

10 MR. PITMAN: Correct.

11 DR. JEANNERET: In your summary
12 Role of Tariffs on the bottom of page 6 and the
13 top of page 7, you are in effect saying that the
14 tariff of 10 per cent is for all practical purposes
15 applied only on those books, presumably trade
16 books and books of general interest that come
17 in from the United States, those books which are
18 imported in such small quantities that they would
19 not be manufactured here in any event and you are
20 saying that there is, for practical purposes, no
21 tariff at all on other books some of which might
22 be manufactured here and a significant tariff
23 applied, is that correct?

24 MR. PITMAN: This is our feeling
25 but we have rather reserved the position that we
26 don't feel that the tariff has no relevance at all.
27 We feel that with competition now entering into
28 the market from Hong Kong and other parts of the
29 world, that maybe it would be a mistake to say
30 that tariffs could play no role.



1 DR. JEANNERET: One thing that the
2 imposition of a tariff does, I presume, is that
3 it brings about customs inspection which might
4 touch infringing and printing works. That is
5 just one thing.

6 MR. PITMAN: We would agree to that,
7 yes.

8 DR. JEANNERET: On page 8 you say:
9 "
10 The Ontario system has for many years
11 restricted the listing of authorized
12 texts in the Department of Education's
13 Circular 14 to books written, published,
14 and manufactured in Canada."

15 This is a rather absolute statement.
16 You would be willing to modify that somewhat?

17 MR. PITMAN: I wouldn't be able
18 to modify that "where books are not available from a
19 Canadian source." It is a fairly small amount.
20 What does concern us, though, is that the policy
21 of Circular 14 does not seem to be implemented
22 and another point which is of rather particular
23 interest now with the block grant is that with
24 Boards of Education being under pressure to cut
25 budgets there is a temptation to say, "Right,
26 well let us strike out books for a start".
27 I am glad to say that the majority of the Boards
28 seem to be resisting this temptation.

29 DR. JEANNERET: Nbbody has gone
30 on strike about that. This is a question that
will take some research on your part but I think



1 it is something we would like to get at from your
2 standpoint. Could the CBMI or the GAIA in some
3 way or other, generate some hard statistics on the
4 annual manufacture of case bound books in Canada
5 over a period, say the last five years?

6 Now, don't say yes too quickly. I
7 realize what is involved in doing this, but do
8 you think that this could be brought about, the
9 best possible set of hard statistics that you can
10 generate on a year-to-year basis? Is there any
11 way you think that you could approximate the
12 right figures for us, from your standpoint?

13 MR. PITMAN: I suspect it could be
14 done. I am rather doubtful if we could have
15 the information available for you in this immediate
16 set of hearings but we will certainly look into
17 the matter.

18 DR. JEANNERET: I mean over a
19 period of six weeks or ten weeks, or something
20 of this nature. I would personally like very much
21 to see these figures on a time-allocated basis
22 because there are changes in policies that we
23 have all been talking about -- changes of factors,
24 influences ranging from shift away from hard
25 print media to integration of grants and so on
26 and the growth of Circular 14. Let us see some
27 of the results of this and put all the hard bound
28 books together. Let us leave the paperbacks out
29 of that, I would suggest, although you can separate
30 them and give them separately if you are able to.



1 MR. PITMAN: We will try and
2 assemble this information. It will depend to
3 some extent on the willingness of people who are not
4 necessarily members of our organization to
5 participate but I believe we could get some data.

6 MR. ALLOWAY: Dr. Jeanneret, I
7 would like to suggest a degree of caution
8 as to the ultimate results and benefits of that.
9 CBMI retained the University of Western Ontario
10 Graduate Faculty to do some research and we were
11 very disappointed with the ultimate research in
12 statistics. GAIA employed R.B. Scott in Boston
13 to do some statistics and we likewise found a
14 great deal of difficulty, reticence and
15 suspicion in obtaining this information.
16 I am sorry, I hope it can be done because the
17 gravity of this situation is apparent, we must
18 be realistic and this has not in the past been,
19 notwithstanding the efforts, a successful exercise.

20 DR. JEANNERET: I am aware of that
21 and that is why I asked the question with some
22 diffidence but we are not worried about suspicions
23 being aroused at all. If they are in Ontario
24 we want the information and we can get it but it
25 would help a great deal if your organization could
26 co-ordinate the figures if possible and I realize
27 what you are up against, of course.

28 Would you comment just on this?
29 You say on page 15:

30 " It must be recognized that the



1 " Canadian book manufacturing industry
2 must be dependent upon a healthy
3 Canadian publishing industry."

4 I think that could easily be assented to. Would
5 you explain exactly what you mean by "Canadian
6 publishing industry" in this context? Ownership?

7 MR. PITMAN: Within the strict
8 terms of reference of book manufacturing I don't
9 think that ownership has a particular relevance
10 to the economy of book manufacturing. However,
11 taking it a stage further, if it is purely a
12 branch publishing and producing local editions
13 of books which have, in fact, been authored
14 published elsewhere, I don't believe that that
15 is a particularly healthy base for a strong
16 local book manufacturing industry. We would like
17 to see local publishing by Canadian authors
18 published in Canadian publishing houses and
19 manufactured in Canadian manufacturing plants.

20 DR. JEANNERET: Thank you,
21 Mr. Pitman. I have one other request and this is
22 one I know that you can comply with without too
23 much trouble, I think, because I have been privy
24 to these figures in the past.

25 Could you procure either directly
26 or through CPI or some organization such as that,
27 an objective schedule of the rates, the basic
28 rates in use for type-setting, presswork and
29 binding under the union contracts in the major
30 centres of North America? I say based on union



1 contracts, I mean where these exist as norms.

2 I think it would be very useful to see for the major
3 centres in North America, the rates in use
4 under those different basic headings set before us --
5 also offset, I presume.

6 MR. PITMAN: I have made a note of
7 that, Dr. Jeanneret.

8 MR. ALLOWAY: Dr. Jeanneret, an
9 addendum to the question that you raised relative
10 to the use of educational materials in Ontario,
11 perhaps the exclusive designation of these
12 as Canadian produced, I share what Michael has
13 said, we are not asking that this matter be
14 restrictive, be a restrictive feature, but it seems
15 with the diminishing share of the market
16 that the Canadian book manufacturer is enjoying
17 his ability to serve the publisher effectitvely
18 is going to diminish and some means whereby we
19 can enjoy some reasonable percentage of the
20 North American requirement in relation to our
21 population in somewhat the same innovative style
22 as the auto pact, for instance, would, it seems
23 to me, be a reasonable kind of approach to permit
24 the free flow of knowledge and intellectual property
25 throughout our continent and at the same time give
26 us a reasonable strength because we will in fact
27 be producing a fair share of that which we consume.
28 The problem is that in the print medium we are
29 now sharing and giving up approximately one-third
30 of all print media to foreign manufacturers,



1 basically the United States and at the present
2 rate of growth of the graphic communications
3 industry in Canada versus the rate of growth of
4 rapid communication imports we will be losing
5 a half or sharing half of the market by 1988
6 and it is in this vein that we see the book
7 manufacturing industry consistently being reduced
8 in its ability and impoverished generally to do
9 for the Canadian book publisher what the book
10 publisher not only expects but is entitled to
11 receive from this important segment of his
12 publishing program.

13 DR. JEANNERET: I have kept right
14 away from such a question as the manufacturing
15 provisions. We will get that later in another
16 submission, I believe, but I am sure you agree that
17 that will be one of the most important solutions
18 to the problem you have just been describing.

19 MR. ALLOWAY: Because of the
20 historic position that has prevailed in the
21 manufacturing requirement, it may take more than
22 simply the removal of the non-tariff barrier
23 to restore some kind of a balance.

24 DR. JEANNERET: You won't get it
25 overnight, you will have to go and fight for it.

26 THE CHAIRMAN: Well, Dr. Jeanneret
27 may not want to get into this particular matter
28 but I do. You made a recommendation, No. 4,
29 in connection with the manufacture in the
30 United States and you have appended as part of your



1 the so-called Toronto Convention which calls
2 for the removal of this terrible clause and
3 since this clause has such a bearing on your
4 segment of the publishing industry, is there any
5 other recommendation which you could make to us
6 rather than the usual one we have been getting
7 and that is that somebody has got to go and
8 convince the government of the United States that
9 it ought to take some action? Is there some
10 other recommendation to be made by your industry
11 to us which we could recommend to the Government
12 of Canada, for example, which would have some
13 bearing on equalizing or at least removing, or
14 attempting to remove, some of the inequities
15 prevailing?

16 MR. PITMAN: I feel that possible
17 retaliatory action far from having the desired
18 effect to expedite the removal could, in fact,
19 prejudice our entire efforts. I am satisfied
20 in my own mind, and I think that most of my
21 colleagues share this view, that the Americans
22 have acted in good faith in working towards an
23 elimination of the manufacturing clause insofar
24 as Canada is concerned.

25 In the Bill before Congress
26 specific exemption has been made, specific
27 exemption for Canada inasfar as the effect of
28 the manufacturing clause is concerned, has been
29 introduced. Unfortunately, at each stage the
30 Bill dies and with the pressure of business in



1 Congress and in this last year there were
2 particular problems with timing with cuts in
3 the Bill on Health, Education and Welfare, it has
4 just not been possible to bring forward the
5 Copyright Bill but we are aware that in the United
6 States there is great urgency to see the
7 new copyright legislation go through and everything
8 we hear at the moment indicates it would go through
9 at present as we see it, with the wording that
10 allows for an exemption for Canada.

11 I am afraid that if we were to
12 resort to urging some kind of retaliatory action
13 or something of that nature, it might have the
14 effect of feeling on the Canadian side that we
15 had broken faith.

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1 I don't believe the Americans
2 have broken faith, but I believe they have
3 been under the difficulties of pressure of
4 the times.

5 MR. ALLOWAY: The graphic
6 arts industry has been very hesitant to
7 erect any barriers or to take any posture or
8 protectionism, as it were, for much the same
9 reason that Mr. Pitman has indicated. "The
10 climate in which this ---

11 THE CHAIRMAN: Why?

12 MR. ALLOWAY: The desirability
13 to operate a communications industry in a
14 North American environment in terms of
15 intellectual property and knowledge, seems
16 to be a long time desirable factor. It is
17 in this vein we think as Canadians that we
18 can stand up and be counted and make our inroads,
19 take our share of the market, if the opportunity
20 is adequately provided, but if we simply get
21 the removal of a non-tariff barrier, a single
22 non-tariff barrier, as a result of temporary
23 retaliatory measures, or some protectionist
24 posture which will long be remembered by the
25 Americans, it may well be that we will win
26 the victory and lose the war. There are other
27 facets of restricted elements that we have
28 got to deal with and it must be dealt with
29 in a favourable climate and environment.
30 For example, we already have the ability to



1 compete or move into the area of typesetting,
2 at least, which is not under the legislation.
3 In terms of setting books for United States
4 publishers which many of us have done, we find
5 there are other barriers which have got to
6 be removed. We need the greatest cooperation
7 and we are hesitant to start some kind of
8 an action that might be mistaken, since we
9 desire in the long-term, to deal on the very
10 best possible basis of having a much more
11 liberal trade policy, but the membership of
12 the Graphic Arts Industry, their patience is
13 running pretty thin on this and a poll today
14 would indicate that there is a substantial
15 shift of feeling.

16 THE CHAIRMAN: I suggest if it
17 shifts far enough you let us know because we
18 are interested in shifts and opinions on the
19 issues that the industry would like to take.
20 I can only comment by saying that it appears
21 that your reliance upon good faith puts you,
22 with your books, all in one basket and your
23 total dependence upon that kind of position,
24 indicates to me that you are indeed people
25 of good faith. I hope your good faith is
26 sustained.

27 We are, by the way, getting
28 a copy of the Toronto Board of Education
29 Convention to which you refer in connection
30 with Circular 14. We are, of course, greatly



1 concerned about Circular 14, its enforcement
2 and what is being done with that document at
3 this time. We are going to take a fairly
4 exhaustive look at it.

5 MR. PITMAN: May I ask if the
6 Commission has had any concern about the effect
7 of the elimination of a specific book grant
8 and the change into a general grant and the
9 changes on spending on textbooks as a result
10 of that change in policy?

11 THE CHAIRMAN: I was just
12 going to ask you about that as my last question.
13 What you set out in your brief, certain comments
14 in connection with the impact, I wonder if
15 you would expand on that and indicate to us
16 what you think the impact would have been of
17 the removal of the allocation?

18 MR. PITMAN: It is a rather
19 difficult subject to expand upon, because it
20 is one of these things where figures are
21 not available and we rather advisedly have
22 gone on to a more general statement on the
23 matter. However, it does seem to us from
24 various contacts we have had in the field,
25 salesmen calling upon different people, that
26 the effect of the elimination of a specific
27 book grant is to allow complete flexibility
28 to the schools who spend their grant monies
29 in which ever way they wish. We believe
30 it was the intention of the Minister that



1 far from reducing spending on books, it might
2 in fact have had the effect of increasing spending.
3 We are not sure, however, what has been the
4 effect in practice. We are aware of rather
5 expensive audio-visual materials going into
6 the schools, various other mechanical devices
7 which we do not wish to criticize in themselves,
8 but we are somewhat concerned about the order
9 of priorities. I think, in fact that it
10 would be most useful to us from an industry
11 point of view if it were possible to find out
12 any information that could be obtained on the
13 shift in purchasing patterns.

14 THE CHAIRMAN: In my own
15 peculiar way I interpret the elimination of this
16 specific grant as merely being part of an
17 overall move to decentralize authority within
18 the educational system of the province. I
19 am beginning to wonder, I myself, whether
20 the lack of direction which is now growing
21 rapidly and the dispersal of authority which
22 is also growing rapidly, is going to bring us
23 to an educational system where the children
24 are teaching the teachers. In any event,
25 have you any further questions?

26 DR. JEANNERET: No.

27 THE CHAIRMAN: I might say,
28 I think some of the teachers deserve to be
29 taught.

30 We wish to thank you very much.



1 If there is any change in position, please
2 do let us know.

3 DR. JEANNERET: We would be glad
4 to chat with you if you run into any difficulties
5 generating your statistics. Maybe we could
6 come to them in some other way.

7 MR. PITMAN: Thank you very much.
8

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10
11 SUBMISSION OF THE DUTCH MAGAZINE AND BOOK IMPORT
12 CO.
13

14 THE CHAIRMAN: Mr. Altena. I take
15 it you are from Holland?

16 MR. ALTENA: Yes , I am from
17 the central part.

18 THE CHAIRMAN: What part of
19 the central?
20

21 MR. ALTENA: 20 miles southeast
22 of Utrecht, southeast of Amsterdam.

23 THE CHAIRMAN: Now, Mr. Altena,
24 would you touch on the points that you would
25 like to make? We have read your brief and
26 the particulars about the points you consider
27 most important.

28 MR. ALTENA: The point I want
29 to make is that in Canada, not only is existing
30 the publishing industry for people in the English



1 language, but there are also publishing industry
2 for the ethnic language, but there is an
3 import of magazines and books of these ethnic
4 languages.

5 DR. JEANNERET: Speak up, please.

6 MR. ALTENA: This publishing
7 of ethnic languages is very small in comparison
8 with the publishing in English and French, but
9 there are still enough people to warrant it.
10 The publishing industry has difficulties, due
11 to the small market and, as I point out in
12 my brief, for Dutch according to the '61 census
13 as interpolated for 1970, there are approximately
14 250,000 people in Canada whose mother language
15 is Dutch.

16 Further, the prices of the books
17 and magazines at the customs level making a
18 declaration to the customs for the ethnic
19 is three times as high as for the imports
20 from the United States which makes it a
21 price around three to four times as high
22 because the increase is very great and so
23 forth, the freight rates are very great and
24 so forth.

25 Further, I had an example last
26 year of a magazine mailed by third class mail
27 from downtown Toronto to Scarborough was
28 23 cents -- 33 cents. The cost of the magazine
29 plus the freight charges and the brokerage
30 fees to downtown Toronto was only 22. That is it.



1 DR. JEANNERET: I was not quite
2 clear whether you were speaking chiefly about
3 a problem relating to magazine and magazine
4 imports or were books central in your concern?

5 MR. ALTENA: One point I could
6 make is that we of the small groups here in
7 Canada, most of the publishing done for ethnic
8 groups is imports.

9 DR. JEANNERET: Magazines?

10 MR. ALTENA: Magazines and books.
11 Here in Canada there are two weekly papers which
12 are printed in Dutch and they are losing every
13 year.

14 DR. JEANNERET: I have not any
15 other questions. The position is clear
16 as far as you are talking about books.

17 MR. CAMP: In your reference
18 to other languages you mean there would be
19 125,000 people in Ontario who would be fluent
20 ---

21 MR. ALTENA: They speak fluently
22 Dutch, yes.

23 MR. CAMP: I am a little surprised
24 at the cost factor you cited. It is a little
25 difficult for me to understand the rationale
26 of it or if we have the authority in this
27 regard, but I am happy to know that. I don't
28 always understand the rationale of government
29 anyway.

30 THE CHAIRMAN: Thank you very



1 much, Mr. Altena, for making your presentation.

2 It was very interesting.

3 We will resume at 3:00 o'clock
4 this afternoon.

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6 ---Luncheon adjournment

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1 --- The hearing resumed at 3.05 p.m.

2
3 SUBMISSION OF THE EXECUTIVE OF THE DIVISION
4 OF COMMUNICATION OF THE UNITED CHURCH OF
5 CANADA

6
7 THE CHAIRMAN: Well, we have with
8 us this afternoon after a bit of a late start
9 but not too badly, Dr. F.G. Brisbin, Secretary,
10 Division of Communication, who will represent
11 the executive of the Division of Communication of
12 the United Church of Canada in presenting his
13 brief. Is that correct?

14 DR. BRISBIN: That is correct,
15 sir.

16 THE CHAIRMAN: We have read your
17 brief. If you will be kind enough to touch on
18 the main points you wish to make and then we can
19 discuss it with you.

20 DR. BRISBIN: Mr. Chairman and
21 members of the Commission, the main points that
22 we make start out really from the premise that
23 book publishing is one of the media of communication
24 and that it should be related to the other media
25 and, therefore, on page 2 near the bottom we give
26 a comparison of the relationship which the governments
27 have had to other media of communication and the
28 impact of that really on the part of the
29 government in relation to the publishing of books.

30 On page 3 I note that in



1 Canada we have a very small percentage of the
2 world's people, we naturally are dependent on other
3 countries and their publications; otherwise, we
4 would be rather an undeveloped nation, but
5 apart from that and despite that we still feel
6 that there is need for a strengthening of the
7 book publishing program in Canada.

8 What I have done is started from
9 the other media of communication and I have noted
10 in my brief that the government has been somewhat
11 more involved with other media and particularly
12 with the performing arts than it has been with
13 the publishing of books. I have noted the fact
14 that since in Canada we have only about 5 per
15 cent of the world's people for whom English is
16 the mother tongue that without a flow of printed
17 books from other nations where English is spoken
18 we would be rather an undeveloped nation but
19 despite that we believe that there are responsi-
20 bilities on the part of government to strengthen
21 the book publishing industry in Canada and I
22 start out with trade books. I have spent the
23 first part of this section in a very condensed
24 analysis of the work of the Canada Council as
25 represented in the 1969-70 Annual Report of the
26 Council where in terms of the size of grants
27 you start out with grants to theatre totalling
28 \$2.8 million and then you go down and end with a
29 rather dull thud in grants to writing totalling
30 \$520,000.



1 I am not even sure from the
2 report how that figure is arrived at because there
3 is no apparent way of working out that total.
4 But even taking that as the total of grants to
5 the whole field of printed communication
6 of books we feel that the report of the Council
7 itself illustrates the need for a greater emphasis
8 in that field and, therefore, on page 5 we
9 recommend that the Canada Council be urged to
10 embark publicly on an aggressive program of
11 assistance to Canadian-owned publishers in projects
12 which indicate a genuine contribution to Canadian
13 culture and national awareness in a changing
14 world.

15 Then we go on to recommend that
16 the Province of Ontario Council for the Arts
17 examine its own policies and practices in this
18 same context, and contribute proportionately to
19 the Arts as expressed in published books.

20 The reason that I have not gone
21 into any more detail about the Province of Ontario
22 Council for the Arts is that in this particular
23 field P.O.C.A. has contributed at least up
24 to the time of its last report, nothing to the
25 publishing of books.

26 Then, I move on into the field of
27 library sales recognizing that this is a fairly
28 major matter of concern to book publishers and I
29 note that some have recommended that steps be
30 taken virtually to guarantee distribution of



1 Canadian books to libraries in Canada and I
2 have pointed out that a trade book published in
3 Canada is considered a success if it sells
4 4,000 or 5,000 copies so if you had a
5 guaranteed distribution for every library in the
6 country you would have virtually carte blanche
7 for a publisher to publish whatever he saw fit,
8 knowing that his costs would be met by library
9 sales.

10 Nonetheless we recognize that
11 there are libraries in our country and in our
12 province too, where the budgets are very scarce
13 and that financially impoverished libraries must
14 buy on the whole the books which they judge will
15 be most in demand and so we recommend that their
16 capacity to purchase books be increased through
17 provincial grants to municipalities, designated
18 for their library for the purchase of books by
19 Canadian authors and preferably, published by
20 publishing houses at least partly owned by
21 Canadians.

22 I touch briefly on export sales
23 and conclude with a recommendation that both
24 provincial and federal government, wherever they
25 maintain premises abroad, undertake to develop
26 and sustain good reference libraries of Canadian
27 books, accessible to visitors, and at the time
28 use their good offices to encourage the purchase
29 of Canadian books for the public libraries of
30 their communities as well as by individual citizens.



1 Then in the field of educational
2 publishing I have taken note of the fact that a
3 publisher must produce finished copies and put
4 them on the desk of the officials in the Department
5 of Education before he has any idea as to whether
6 or not he will have a sale and we suggest that
7 the financing could be co-operative from points
8 perhaps mid-stream in the production process and
9 recommend that the approval of a text be given
10 prior to publication on the basis of specifications
11 that could be worked out in concert and that
12 the book would then be treated as a commissioned
13 rather than a submitted work, and which commissioning
14 would be approved after all concerned have agreed
15 about the nature, need and content of the book
16 and the financing of it would be jointly carried
17 on by the department and the publisher.

18 On page 7 I touch upon the conflict
19 between the need for variety and the need for
20 economy recognizing that in a country the size
21 of ours if we are going to have a wide variety of
22 educational resources then we are either going
23 to have to purchase them from larger markets in
24 other countries or else we are going to have to
25 pay for them ourselves, either through the higher
26 cost of the individual resource or through taxes
27 and so we recommend that the provincial government
28 initiate continuing consultation involving
29 ranking teachers, educational administrators,
30 elected trustees and publishers for the purpose of



1 developing a policy by which within rational
2 financial limitations, our children will have
3 available the best educational resources, having
4 in mind the fact that they are Canadian children,
5 not the poor relations of a rich uncle next door,
6 no matter how well meaning he may be.

7 Finally I make a few comments in
8 regard to the publishing industry itself and
9 recommend that in view of the increasing
10 Americanization of book publishing in Canada that
11 legislation be enacted, either provincially or
12 federally as applicable to individual companies,
13 requiring that at least 30 per cent of their
14 voting shares be made available to the Canadian
15 public, and that a proportionate number of
16 Canadian citizens be elected to the Board of
17 Directors. In the same section, in reference
18 to the industry itself, we have referred to the
19 report on the Canadian Book Industry which was
20 given to the Federal Department of Industry,
21 Trade and Commerce by a consultant firm ~~which that~~
22 department engaged.

23 In that report they portray an
24 industry on the basis of the comments of the people
25 within the industry itself which gives rise to a
26 summary in the words of the report and I quote:

27 " The results in the chart help to explain
28 the inabilities of the industry in
29 creating a healthy and vigorous image."

30 I point out that neither protection



1 nor subsidy will ensure the longevity and the
2 health of an industry which seems lacking in the
3 confidence that it can or can't or perhaps even
4 deserves to survive.

5 I think, Mr. Chairman, that summarizes
6 our comments and recommendations so far as
7 the future of the Canadian book publishing industry
8 is concerned. Perhaps the closing comment
9 should be my opening comment from the report,
10 namely, that our position in making this submission
11 is not that of a publisher but as a consumer
12 and as an institution vitally concerned about
13 human values in our country and in our world.
14 Thank you.

15 MR. CAMP: I don't find the argument
16 difficult to follow or the recommendations difficult
17 to consider or those hard to read. I do want
18 to perhaps concentrate just on one aspect of this
19 which is C. on page 8. I think we realize, of
20 course, that many of the publishing operations in
21 Canada do have a sufficient number of Canadian
22 members in effective office which would seem to
23 provide an effective Canadian voice or influence.
24 Would you say that was fair? Prentice-Hall, I
25 think their entire Board is Canadian.

26 DR. BRISBIN: We recognize that
27 there are a great many foreign-owned publishers
28 operating in Canada whose executive officers
29 certainly are all Canadian and it may well be that
30 on most of their Boards the directors have largely



1 gone entirely Canadian. What we are suggesting
2 is that where that is not the case, that there
3 should be legislation enacted to provide for at
4 least a minimum of 30 per cent Canadian voice
5 on the Board.

6 MR. CAMP: I just wonder if
7 legislation would be required? But when you get
8 on to the voting shares -- and I take it you
9 mean within the Canadian company --

10 DR. BRISBIN: Yes.

11 MR. CAMP: ... is there any
12 evidence at all that a minority shareholder
13 would have any greater influence than the power
14 of prayer, really? 30 per cent, for example,
15 of share participation in McGraw-Hill -- not
16 to single out anyone in particular --
17 but par example --

18 DR. JEANNERET: If you can find
19 them.

20 MR. CAMP: ... would not, it seems
21 to me -- well, I am asking you, rather than
22 expressing an opinion as to what you
23 think the effect of that would be? You are talking
24 about voting shares which I presume means shares
25 offered to the voting public?

26 DR. BRISBIN: Yes.

27 MR. CAMP: What your recommendation
28 is, is that the shares be made available, not
29 the insistence that they be taken up?

30 DR. BRISBIN: I don't think you can



1 insist that they be taken up. I think if the
2 shares are made available by legislation, then the
3 onus is on the Canadian people to show whether or
4 not they care. I believe that even a 30 per cent portion
5 of the voting shares would give people who have the
6 ability to express themselves effectively an
7 effective voice in the policy determination of the
8 corporation but if they don't exercise their proxy
9 then, of course, they have only themselves to
10 blame.

11 MR. CAMP: Yes, all right. Do
12 you see anything sinister or dangerous to
13 publishing interests if the government assists
14 the industry in the manner of the recent example
15 of McClelland & Stewart?

16 DR. BRISBIN: I don't see anything
17 sinister. I think there is a possible danger
18 that a government which has become a participant
19 financially in a particular publishing firm and
20 which through another department is purchasing
21 a great number of books might have some tendency
22 to give favouritism to that particular publisher
23 but I think the potential is rather low and
24 the possibility of it becoming actual is lower
25 perhaps.



1 MR. CAMP: You can legislate
2 all around it, but is the basic problem of
3 the industry today is economic in terms of the
4 high risk and low yield, small market?

5 DR. BRISBIN: I think, Mr. Chairman,
6 the basic problem certain is economic in terms
7 of small market and a very large neighbour who
8 has free access to our market. I don't necessarily
9 agree that the pouring in of more capital would
10 solve those problems, unless, within the
11 Canadian publishing industry we have the kind
12 of management that could make optimum use of
13 the capital made available.

14 MR. CAMP: However, the shortage
15 of capital or lack of it could multiply the
16 problem.

17 DR. BRISBIN: That is right.

18 MR. CAMP: From that response
19 did you mean to indicate in your opinion there
20 is a lack of managerial competence in the
21 industry at present?

22 DR. BRISBIN: I have simply taken
23 the Ernst and Ernst Report to the federal
24 government at its face value.

25 MR. CAMP: That is the conclusion
26 you draw from them, not one that you hold yourself?

27 DR. BRISBIN: I do not think I
28 would be an authority on the management capacity
29 of the Canadian publishing industry.

30 MR. CAMP: I wouldn't argue that. Is



1 it your point there is no reason why you consider
2 the publishing industry to be in the same
3 orbit, let us say, in terms of its vital relationship
4 to the national culture, national identity and
5 so on, that your television broadcasting and
6 newspapers has?

7 DR. BRISBIN: Yes.

8 MR. CAMP: On the other hand
9 it is quite difficult to make them quite
10 analogous because you can't own, operate and
11 go broadcasting, for example, but you could do
12 that with the book publishing industry.

13 DR. BRISBIN: We are not
14 suggesting that -- not in a parallel way, but
15 we are suggesting there can be government
16 action which can certainly strengthen the
17 Canadian publishing scene.

18 MR. CAMP: Just one more question
19 which comes up frequently. There is the frequent
20 association that somehow or other the
21 Canada Council will realign its priorities and
22 increase its expenditures and that this would
23 result in the production of more Canadian
24 titles. I wonder really if the reason for the
25 low figure here, and you list the amounts, is
26 not the lack of authors and the lack of profit
27 potential for published works, rather than
28 the reluctance of the Canada Council to support
29 writing in Canada to the degree to which it
30 supports the theatre, for example and music?



1 DR. BRISBIN: I would not be
2 able to speak as an authority in reply to your
3 question, Mr. Camp, but taking note of
4 the fact there are a considerable number
5 of Canadian writers who publish in the United
6 States ---

7 MR. CAMP: It is not a bad idea.

8 DR. BRISBIN: As Pierre Burton,
9 for example, used to do. Taking the position
10 that if there were a grant available from the
11 Canada Council, the Canadian publisher might
12 thereby be able to pay a higher royalty than
13 he can now pay and so make ends meet. I think
14 it is possible that increased costs from the
15 Canada Council would make the Canadian
16 publisher a more attractive person to the Canadian
17 writer.

18 MR. CAMP: By directly
19 subsidizing the author?

20 DR. BRISBIN: By directly
21 subsidizing the publishing program so the
22 author can be paid a higher royalty.

23 MR. CAMP: I don't want to open
24 up an old can of worms but I have a note here --
25 I think I will, a new can of worms. I remember
26 the statement or the headline, rather, in the
27 sale of Ryerson, they simply sold out to the
28 highest bidder. Is that a fair statement?

29 DR. BRISBIN: The highest bidder,
30 well, the higher bidder, if you want to be



1 technical, because they attracted only two.

2 MR. CAMP: The headlines said
3 the highest bidder.

4 DR. BRISBIN: That is a fair
5 statement, it was the higher of the two bids,
6 but I don't think it would be proper, if this
7 is in your mind, that regardless of who the
8 highest bid was from, we would have accepted.

9 MR. CAMP: So there is such
10 a thing as the law of the marketplace operating
11 in the publishing industry?

12 DR. BRISBIN: If you are over
13 half a million dollars in debt, you have to find
14 the money within proper limitations, as I have
15 indicated on the concluding page of my brief.

16 MR. CAMP: Without some
17 available countervailing assistance, then, that
18 is where all the judgments are going to be
19 made and that is the basis upon which they
20 were made?

21 DR. BRISBIN: Yes. I think it
22 would be fair to say that had it not been
23 for the controversy that followed on our sale
24 which, as you recall, was markedly greater
25 than the controversy following the W.J. Gage
26 sale, McClelland and Stewart might right now
27 be in the hands of a non-Canadian owner.

28 THE CHAIRMAN: A very interesting
29 comment.

30 DR. JEANNERET: When you are



1 referring to Canada Council grants being made
2 available to make possible the payment by
3 Canadian publishers of high royalties to the
4 authors to bring a higher rate of royalty ---

5 DR. BRISBIN: Yes, recognizing
6 it is a smaller market.

7 DR. JEANNERET: To my knowledge
8 the rate of royalty paid by Canadian publishers
9 is at least as high as the rate of royalty paid
10 by American publishers and sometimes higher.
11 You would concede that?

12 DR. BRISBIN: Oh, quite, but
13 you are dealing in a market a tenth the size.

14 DR. JEANNERET: On page 6 your
15 recommendation regarding provincial grants
16 to municipalities designated for their library
17 for the purchase of books by Canadian authors
18 and preferably published by publishing houses
19 at least partly owned by Canadians, is that
20 referring to your thirty per cent guideline?

21 DR. BRISBIN: Yes.

22 DR. JEANNERET: I would like
23 to turn to that recommendation on page 7. We
24 have heard several times which in the way you
25 make it I think the effect would be that the
26 Department of Education would arrive at a
27 final position respecting the projected textbook
28 and then would negotiate the price -- I am not
29 sure whether they would negotiate the publisher
30 or not at that point, but the commitment would



1 be made and then the publishing expenses would
2 begin to be incurred. I worry -- I have worried
3 every time this comes up -- what happens to the
4 author in this case? This is pure exploitation
5 of authors, isn't it?

6 DR. BRISBIN: I am not sure I
7 follow you.

8 DR. JEANNERET: What happens
9 if the book is not adopted, it doesn't get
10 published?

11 DR. BRISBIN: If it doesn't get
12 adopted now, it doesn't get sold.

13 DR. JEANNERET: My experience
14 is, you miss in one province and you make it
15 in another.

16 DR. BRISBIN: This is a possibility
17 but on the other hand, if you miss in Ontario
18 you have to make it in virtually every other
19 province to compensate.

20 DR. JEANNERET: This is not
21 necessarily so. I can remember a very important
22 Canadian history textbook that missed in Ontario
23 and two years later made it on the west coast
24 and did extremely well, and I could name
25 books of Ryersons that have had the same experience
26 exactly over the years. I have to leave it that
27 there is a cause for alarm here for the author.

28 DR. BRISBIN: Oh, yes,
29 although I would think, Dr. Jeanneret, that
30 the publishers would be dealing at the same



1 time with other provincial departments of
2 education in the same relationship with those
3 other departments, are interested in working
4 with the same kind of cooperative financing
5 so that in our mind it simply pushes it back
6 a little further ---

7 DR. JEANNERET: It would suggest
8 they now require completed books before they
9 take the position. That is not necessarily true
10 in the other provinces, is it?

11 DR. BRISBIN: Not in every province.

12 DR. JEANNERET: Not in every
13 province. There is just a possible suggestion
14 in this proposal, the way you have presented it,
15 of reverting, that we should have a reversion
16 to the Minister of Education copyright system
17 too. I don't know if you are advocating that
18 or not?

19 DR. BRISBIN: No.

20 DR. JEANNERET: In that manner
21 you reduce publishers to the position of the
22 cheapest possible printer and the level of
23 reproduction to the lowest possible level in
24 the world, in the western world. We could
25 have department stores doing publishing in
26 the time they weren't doing their catalogue
27 printing and so on. That is not the kind of
28 work you are advocating?

29 DR. BRISBIN: No.



1 DR. JEANNERET: Would you tell
2 us something about what our American neighbours,
3 as you refer to them, have done to your religious
4 book publishing and are doing?

5 DR. BRISBIN: They have done
6 nothing to the United Church Publishing ouse,
7 you see, which is for institutional distribution
8 only. ~~The~~ only religious books we published
9 for trade sale in the past were published under
10 the Ryerson imprint.

11 DR. JEANNERET: How about Sunday
12 School books?

13 DR. BRISBIN: That was for
14 institutional distribution and they have had
15 no impact on them. Their distribution
16 is still in our hands because we still own the
17 United Church Publishing House.

18 DR. JEANNERET: How completely
19 Canadian are those materials?

20 DR. BRISBIN: Totally Canadian
21 except perhaps reprinted articles from some
22 similar printed articles probably from the
23 States but in the new content they would be
24 almost primarily Canadian.

25 DR. JEANNERET: Has there
26 not been considerable competition offered by
27 the importation of religious publishing for
28 institutional sale?

29 DR. BRISBIN: Yes, from private
30 publishers as well as denominational publishers



1 largely in the United States, yes.

2 DR. JEANNERET: You don't
3 operate in a significant way as a Canadian
4 publisher-agent in the religious publishing
5 field?

6 DR. BRISBIN: No.

7 DR. JEANNERET: I have no other
8 questions. My other questions overlapped those
9 of Mr. Camp and have been dealt with, at least
10 in part.

11 THE CHAIRMAN: You called our
12 American friends "our American neighbours",
13 do you recall? It appears to me they are a
14 good deal more than neighbours. They seem to
15 move right into the house with us (laughter).

16 I note on page 3, at the bottom
17 of page 3, talking about trade books you say

18 "The Canada Council should be
19 encouraged to embark on a
20 program designed to strengthen
21 the Canadian book publishing field.
22 We recognize that the
23 Canada Council is a federal body,
24 but we hope and believe that the
25 federal government will be watching
26 the work of this provincial royal
27 commission with constructive
28 interest."

29 We hope that they will be doing a little bit
30 more than watching. We like to think that we



1 are a country of activists, rather than watchers,
2 and we hope that one day we will get some sort
3 of reaction from the federal government that
4 corresponds a little more with action rather
5 than with watching because I don't regard watching
6 as an activity.

7 DR. BRISBIN: I tried to imply
8 that in the word "constructive".

9 THE CHAIRMAN: The implication
10 is clear all the way through. If capital
11 infusion into the Canadian-owned book publishing
12 industry is not, or will not solve the problem
13 -- that is the position I think you took
14 in the response --

15 DR. BRISBIN: Not necessarily.

16 THE CHAIRMAN: What will solve
17 the problem or what combination of things will
18 solve the problem?

19 DR. BRISBIN: I think a combination
20 of capital infusion plus a more diligent attention
21 than has sometimes been the case in the Canadian
22 book publishing industry by their own statement,
23 apparently, so that they can make the best
24 possible use of the capital and then the
25 development in the educational field of the
26 kind of cooperation we recommend so that
27 we don't have the kind of waste which we
28 ourselves experienced, by the way, a year or
29 so ago, in writing off \$40,000 worth of math texts
30 because we just could not make the market.



1 THE CHAIRMAN: But in any event
2 capital is evidently something which has to be
3 had in order to make this cycle start to put
4 the industry back in shape?

5 DR. BRISBIN: Yes.

6 THE CHAIRMAN: Thank you very
7 much, Dr. Brisbin.

8 DR. BRISBIN: Thank you.

9

10

11 SUBMISSION OF NEW PRESS

12 THE CHAIRMAN: Now, we have with us
13 three gentlemen from the New Press -- Mr. Godfrey,
14 Mr. Bacque and Mr. MacSkimming. Would you touch
15 on the points that you want to make and then we
16 will have a discussion?

17 MR. MacSKIMMING: Yes. Mr. Chairman,
18 and Members of the Commission, I will begin by
19 doing that and then Mr. Godfrey and Mr. Bacque
20 will have a few words after me.

21 First, New Press would like to take
22 the opportunity to commend the action of this
23 Commission in recommending provincial assistance
24 to McClelland & Stewart Limited. This action has
25 helped, I may say, to dispel the fears that some
26 of us in publishing had that the Royal Commission
27 on Book Publishing was, perhaps, a delaying tactic
28 on the part of the government that really didn't
29 want to do anything without a national crisis
30 in the industry. We are very glad to have that



1 fear dispelled and we look forward to further
2 positive steps on the Commission's part similar
3 to this to assure that Canadian ownership remains
4 a permanent feature of Canadian publishing
5 and eventually becomes the dominant feature.

6 New Press has submitted a brief
7 originally written for the Federal Cabinet but
8 brought in under the scope applying to the
9 provincial level. Our recommendations for
10 government assistance to book publishers, the first
11 is long-term low interest loans and the Commission
12 and the government of Ontario appear now to have
13 set a precedent for acceptance of this recommendation
14 by their action re McClelland & Stewart.

15 We are confident at the same time
16 that it will not be assumed by anyone that this
17 action solves the crisis of ownership in the
18 industry entirely and we consider it essential
19 that development loans be made available to other
20 publishers as well, not, we hope, to save them from
21 bankruptcy but to allow them to expand their programs
22 of original Canadian publishing which will allow
23 them some opportunity to compete with the heavily
24 capitalized foreign firms.

25 The second recommendation is the
26 library purchase plan which would make grants
27 available from the Provincial Government to
28 librarians for the purchase exclusively of Canadian
29 books. It is our feeling that Canadian books are
30 inadequately represented at the present time in



1 Canadian libraries and public schools and this is
2 a recommendation that clearly falls under
3 provincial jurisdiction.

4 The third recommendation relating
5 to the Canada Council grants can be applied
6 equally to the Province of Ontario Council for
7 the Arts program which should be playing an active
8 role in the encouragement of literary publishing.
9 Substantial grants to writers and for the
10 publication of unprofitable literary works are
11 essential if Canadians are to have their society
12 mirrored and interpreted through their creative
13 writers. This is a right enjoyed by every other
14 culture in the western world but a much harder
15 thing to achieve in Canada because of our extremely
16 small population which makes big volume sales
17 impossible.

18 Finally, we urge immediate key
19 designation of book publishing on a par with
20 broadcasting and newspapers. Further foreign
21 takeovers of Canadian publishing firms should be
22 prohibited by law, at least until this industry
23 is healthy and Canadian once again. This will
24 not mean a negative step but a positive one
25 when combined with the other three recommendations
26 we have made, allowing Canadian houses to compete
27 on a reputable basis on the Canadian market.

28 Mr. Chairman, we recognize that
29 the designation of any industry as a key one is
30 a federal matter but like Dr. Brisbin, we hope



1 very much that the federal government which has
2 been so reluctant in many things would be sub-
3 jected to influence from this Commission and
4 the government of this province.

5 THE CHAIRMAN: The federal government
6 made several encouraging statements through
7 Mr. Pelletier and others and we hope that the
8 statements will be converted again into some sort
9 of action. We will see.

10 MR. CAMP: Do I understand you
11 right? First of all, with regard to the
12 recommendations in your brief, you probably
13 appreciate the fact that in one way or another
14 your recommendations are similar to those of a
15 number of others as a matter of fact, including
16 some of our American publishers, for want of a
17 better expression.

18 MR. MacSKIMMING: We realize
19 that they are quite similar.

20 MR. CAMP: Would it be fair to say--

21 MR. MacSKIMMING: My colleagues
22 will go on from the brief and talk about other
23 matters that come into our minds.

24 MR. CAMP: What occurs to me on
25 reading it is, that unlike a few at any rate,
26 you would really be satisfied with some kind of
27 publishing mix in this country so long as the
28 Canadian, native Canadian publishing industry,
29 could survive and grow in that mix? Is that
30 a fair summary of your position?



1 MR. MacSWIMMING: I think that is
2 fair but with the proviso that the kind of
3 assistance that we have been advocating be made
4 only to firms owned in Canada. This would be a
5 necessary condition for us.

6 MR. CAMP: Because there is what
7 you call a fall-out in the cultural penetration
8 in spite of all you can do about broadcasting
9 and in spite of all you can do about anything. It
10 is a fact of life to be lived with and I am glad
11 that you accept the fact, the reality of it
12 rather. I was going to ask you about something
13 that came up the other day and I am not sure where
14 it takes up but perhaps you can enlighten me.
15 You say, "It is significant as to what foreign-
16 owned subsidiaries don't publish" and you say
17 there are exceptions. "They confine themselves to
18 the activity where share profits are to be
19 made -- educational publishing".

20 I would think that you would
21 agree that even those involved in educational
22 publishing are also publishing Canadian titles
23 and the profitability from that is something less
24 than what they are used to and some of them as
25 well, or most of them as well, are branching out
26 into trade book publishing.

27 My question is: Do you think there
28 are very many unpublished books in Canada that
29 have not been published or ought to be published?

30 MR. MacSKIMMING: Yes, I do. I



1 have several of them sitting in my drawer
2 at the office.

3 MR. CAMP: Which you think are
4 publishable?

5 MR. MacSKIMMING: Which I think
6 must be published. I trust they will be by us
7 eventually but they are manuscripts which we
8 are not able to publish at the present time.
9 In some cases we are applying for either a
10 Council or a POCA grant to enable us to do so.

11 MR. CAMP: It would seem to me
12 the observation would also reflect upon the
13 so-called American subsidiaries, but on the
14 Canadian publishing industry as well.

15 MR. BACQUE: Very definitely. The
16 level of publishing of fiction in this country is
17 pitiful. It is like some underdeveloped baboon
18 Republic in Central Asia or Africa or somewhere
19 where they have just emerged from Colonial status.
20 We have not done that ourselves yet. We publish
21 approximately one-tenth per capita of the fiction
22 and poetry that is published in the so-called
23 advanced countries in North America and Europe.

24 MR. CAMP: Are you saying that they
25 are economically viable publishing works or are
26 you saying that you would require some new formula
27 of subsidy before they could be published?

28 MR. MacSKIMMING: Well, we have
29 already taken as heavy losses as we can absorb
30 on the trade publishing in the last 18 months.



1 We publish as many books as we can which force
2 us into losses and then end at that point.
3 We have to wait for a subsidy or for sales of our
4 other products to give us some more capital.

5 There are these manuscripts, as
6 I say, which need to be published and nothing of
7 this nature is being published by many of the
8 very wealthy or large foreign companies established
9 here. Why couldn't they be sent over to Prentice-
10 Hall? It just isn't their kind of publishing.

11 MR. CAMP: It may come down to
12 something as simple as this: Your editorial
13 judgment against someone else's editorial judgment.

14 MR. GODFREY: Economically viable
15 is a very loaded term. It depends on what
16 kind of marketplace you are putting the product
17 forth into. If you are putting the product forth
18 into a market that is largely American, that would
19 be viable but if you have a Canadian free marketplace
20 that would be totally economically inviable.

21 MR. CAMP: Would you not say so
22 that except in a country such as this, in a society
23 such as this, in terms of the publishing industry
24 we are always going to have more American titles,
25 let us say, than Canadian titles, just to show
26 volume of output? You don't think so?

27 MR. GODFREY: I don't think we
28 should.

29 MR. CAMP: We should out-publish
30 the Americans or should we regulate it so that we



1 out-publish the Americans?

2 MR. GODFREY: I spent a long time
3 presenting proposals and I spent a long time in
4 Ottawa and always at the back of my mind is what
5 happens when we move from the genteel to the
6 revolutionary kind of culture and the logical thing
7 to do when one has given up attempting to be
8 gentlemen against the Americans is -- there are
9 hundreds of solutions to this but immediately
10 50 per cent of all paperback should be Canadian
11 and by "Canadian" I mean written by Canadians
12 and published by a Canadian-owned company.
13 Fifty per cent of all the movies should be Canadian.
14 These are direct simple ways of solving the problem
15 although they are essentially negative positions.
16 Within five years a rule for 100 per cent of all
17 publishing companies to be Canadian-owned.

18 In the interim any book imported
19 in quantity over 2,000 copies should be produced
20 in Canada or taxed at 50 per cent and there should
21 also be permanent grants to assist the publication
22 in Canada of works from international cultures.

23 MR. CAMP: When you say, produced
24 in Canada, you mean printed in Canada?

25 MR. GODFREY: Printed in Canada.

26 MR. CAMP: So you could bring in
27 American titles and print them here in any quantity?

28 MR. GODFREY: In order to give
29 Holt-Rinehart breathing room to sell its stock you
30 would allow them to import these mysterious titles,



1 these cures for malarial disease in North Tibet
2 which have to come across because we can't afford
3 to produce them.

4 MR. CAMP: Would they be a big
5 seller?

6 MR. GODFREY: What has happened
7 is that the American companies are saying that
8 you have a free flow of information. They are set-
9 ting it up as a rule which you must not break
10 and, at the same time, they are flooding
11 is books that do not fall into this special
12 category. Now, the break-even point for re-
13 printing a book within a country is 2,000 copies
14 on the average book, a 200-page book so you
15 would simply set that. If they want to import
16 5,000 copies that is fine, let them, at a
17 50 per cent tax.

18 MR. CAMP: What is the break-
19 even point for printing them? What is the
20 break-even point for publishing the book?

21 MR. GODFREY: It would depend on the
22 book and it depends on how many people you have
23 willing to work for \$50 a week.

24

25

26

27

28

29

30



1 It depends. The breakeven point for hard back
2 books, paying people living salaries, is
3 about 4000 copies, more or less on a \$6 book.

4 MR. CAMP: You have a paragraph
5 on page 12 in which you discuss printing. Where
6 do you print?

7 MR. GODFREY: We print totally
8 in Toronto, Canada.

9 MR. CAMP: Despite the possibility
10 of cheaper elsewhere?

11 MR. GODFREY: Yes.

12 MR. CAMP: Would you recommend,
13 for example, that in order to defend the printing
14 interests in this country there should be
15 changes made in the tariff laws so, for example,
16 Mel Hurtig could not print his books in Taiwan?

17 MR. GODFREY: I would say
18 there would be a great loss and this cannot
19 be enforced. If you want to import books and
20 if people are working for a dollar a week, to
21 raise their salaries to \$2 a week, I would
22 say let's go around and import books. We
23 should spread around our wealth. We should
24 not spread it around the world.

25 MR. CAMP: You submitted this
26 brief to the federal government. Could I ask
27 you, were you asking for some form of assistance?

28 MR. GODFREY: Well, this brief ---

29 MR. CAMP: Specific assistance?

30 MR. MacSKIMMING: No, this



1 brief was submitted, as it says, on behalf of
2 nine Canadian houses, which were the core at
3 that time of a group which has now
4 metamorphosed into a new national trade association
5 of Canadian publishing houses which is holding
6 its annual general meeting this weekend. This
7 was an attempt to get the immensity of the
8 crisis across to the federal cabinet to give
9 an overall survey of the reasons for this
10 and to recommend the short-term and long-term
11 measures for government assistance that would
12 prevent more and more Canadian houses from
13 either going out of business or selling out
14 to foreign interests. When we presented the
15 brief, Gage and Ryerson had just been sold
16 and at that time we warned that other Canadian
17 houses would go the same way within three
18 months.

19 MR. BACQUE: To move beyond
20 the brief a little bit, if we may for a moment ---

21 MR. CAMP: You can, but just
22 let me finish. Then we won't have to come
23 back to the brief, if that is all right.
24 Very quickly, just to clarify your recommendation
25 in my mind, this fund that you want for
26 publishing Canadian works would be separate
27 and beyond and in addition to the present
28 library provision funds. In other words,
29 you are not suggesting that libraries be
30 excluded from purchasing foreign works?



1 MR. BACQUE: Yes. Allow the
2 library to have a larger grant, which would
3 be granted specifically for the purchase of
4 Canadian books, which is shamefully low at
5 the moment. Something like 90 per cent of
6 the dollar volume spent by Canadian libraries,
7 over 80 per cent in Toronto, I believe, although
8 no strict record is kept usually, is directed
9 to the purchase of imported books to the great
10 neglect of the ability of Canadian readers to
11 pick up the books they want. You can see a
12 very strong demand for them if you take a
13 look in the back of the book and see how long
14 a Canadian book has been out in a year. It is
15 usually over 90 per cent of the time.

16 MR. MacSKIMMING: This has
17 been discussed some months ago by a committee
18 of publishers and representatives of the
19 Ontario government including Mr. McCarthy.
20 We put it forward as a short-term emergency
21 measure that could be implemented, perhaps,
22 most quickly of all by the allocation of funds
23 for the purchase of part of the books and
24 an addition sale of several hundred copies,
25 say, of 25 titles in hard cover, which could
26 make a great deal of difference, particularly
27 to the smaller houses.

28 MR. CAMP: Can you give us
29 the value of your experience in regard to your
30 titles and libraries?



1 MR. BACQUE: It is almost
2 impossible to reply accurately to that question.
3 We have to guess because we can't tell, for
4 instance, when the Cooperative Book Centre of
5 Canada buying books, whether it is for
6 libraries or school libraries or for trade
7 stores even, sometimes, so nobody knows, but
8 our best guess is somewhere from 250 to 400
9 copies of a good-selling hardcover title
10 in the first six months we go to Canadian
11 libraries. It may be a little less than that.
12 I doubt that it is more, but we
13 have heard that one other major Canadian
14 publisher is glad to sell as many as 500 of
15 the top titles in the first year to Canadian
16 libraries. That stinks! Of all the
17 examples of indifference and ruinous neglect,
18 the good things that are done in this country
19 in the public interest, that is one of the
20 most shameful, and I think should be rectified
21 instantly.

22 MR. CAMP: A point I made
23 before in terms almost as strong. When you
24 talk about, on page 15 in 3:

25 "The Canada Council makes
26 available to publishers small
27 grants in aid of publication
28 of literary books."

29 Do you mean trade books?

30 MR. GODFREY: They make a



1 distinction and they won't support a book
2 which has a political connotation, or technical
3 connotation. It has to be poetry or fiction
4 or drama.

5 MR. CAMP: Do they have some
6 kind of distinction between what is a commercial
7 book and what is not?

8 MR. GODFREY: You have to prove
9 you are going to lose on it.

10 MR. CAMP: How is your new
11 association, which I take it was started the
12 1st of August or has not yet started? The
13 1st of August?

14 MR. MacSKIMMING: It has
15 been in embryonic form for four or five
16 months now.

17 MR. CAMP: Could you summarize
18 this arrangement for us?

19 MR. MacSKIMMING: The two-day
20 meeting on Friday and Saturday will be the
21 first annual general meeting as provided for
22 in the draft constitution, which has been
23 amended and passed by an area meeting.

24 MR. CAMP: I am talking about
25 your affiliation with American publishing
26 firms. I am sorry I didn't make it clear.

27 MR. BACQUE: Outerbridge and
28 Dienstfrey was the name and they are distributed
29 in the United States by Dutton and they are
30 a young firm like our own started several years



ago by two young men who have been involved in education. They sought Canadian representation and came here. We previously had been approached by other American houses who wanted us to represent them in Canada and we refused on the ground that we would not contribute to the imperial culture in Canada. This proceeds from our assumption, our analysis of the revolutionary situation in the country and the cultural alienation of the people. We felt we would not contribute to that, but on the other hand, that as human beings inhabiting the world we are quite happy to join with friends on an equal basis and these people proved to be friendly and they proved to be able to work with us on an equal basis, and we said, "Fine, if that is the case, you will represent us, all our titles in the United States and buy some copies of the lead titles and publish them in the coedition in the United States and we will do the same thing with you". That is the arrangement we have worked out. The American Outerbridge and Dienstfrey, has arranged to purchase three of our titles in the fall and others to come and we have arranged to purchase several of theirs in the fall and the arrangement begins on August the 1st. It is an equal partnership and there is no sense of one exploiting the other. We are cooperating to the better benefit of



1 both and we think -- we hope this will be
2 an example to Canadians in every industry in
3 this country to prove to them, not only that
4 we are equal, but in a sense the better, if
5 you like, if you want to think in terms of
6 equality and superiority, on the ground that
7 with their small market, much of it captured,
8 and with the disabilities they face, they are
9 still able to cooperate on a totally equal
10 basis with their friends.

11 MR. CAMP: So there is an
12 ideological partnership as well and compatibility
13 in terms of the editorial outlook of their
14 publishing and your publishing?

15 MR. BACQUE: I would not go so
16 far as to say it was ideological. It is
17 a normal human relationship and that is what
18 we want and we have now got in this country
19 today.

20 MR. CAMP: This is the
21 revolutionary ---

22 MR. GODFREY: This is the right
23 wing.

24 MR. BACQUE: You should see the
25 young ones coming after us.

26 MR. CAMP: Thank you.

27 THE CHAIRMAN: I think the best
28 thing to do is this. Mr. Camp has been on
29 this line of questioning from the brief, but
30 I think you wanted to say something more at some



1 point.

2 MR. BACQUE: Yes, we did want to
3 add ---

4 THE CHAIRMAN: By all means.

5
6 MR. GODFREY: Some of it has
7 come out in the questioning. We wanted to
8 expand.

9 MR. BACQUE: We hoped to
10 expand this perfectly normal agency arrangement
11 which has gone on between various countries
12 since publishing has existed as an international
13 force. We want to go beyond that into what
14 could be called a continental partnership
15 distribution arrangement. In that we feel
16 there will be great success for Canadian authors
17 and Canadian publishers in the American market.
18 We have great confidence in the books and we
19 have great confidence in the authors and that
20 they will do well in the American market,
21 given the chance. The Canadian book has
22 not so far had a chance in the American market.
23 to nearly the degree we believe it deserves.
24 If we are able to implement an agreement whereby
25 all top Canadian titles will be bid for by a
26 subsidiary of Outerbridge and Dienstfrey and
27 New Press, operating as each were equal
28 partners, which will take the top Canadian
29 titles and a great number of other titles
30 on an agency basis, to publish them to the



1 continental market, Canada and the United States
2 so that you would, in effect, have one
3 publishing company with two editorial arms
4 and that publishing company would publish
5 these books to the entire continental
6 market and that publishing company would be
7 jointly owned by Canadians and Americans.
8 That is the basis of the deal and we hope that
9 it will become a deal. That is the
10 basis of the deal.

11 MR. CAMP: It could be, too,
12 more than two publishing companies?

13 MR. BACQUE: It could well, on
14 the ground that this particular one would
15 take the agency line from one of those countries
16 from a publishing company which is not
17 necessarily part of that ownership arrangement
18 in either country. In other words, if this
19 was called the XYZ Company and it was owned
20 by Outerbridge and Dienstfrey and New Press,
21 it could then bid for rights to sell McClelland
22 and Stewart books in the United States or
23 Viking books in Canada.

24 MR. GODFREY: Or French books?

25 MR. BACQUE: French, or whatever
26 books. One of the big problems of the
27 domination of the American culture in Canada
28 is that there are no books from other countries
29 and all the internationals who attack us
30 for saying we should keep the Americans out



1 are doing nothing positive about the entry of
2 truly foreign books and a large organization
3 like this would do that.

4 MR. BACQUE: That is a very
5 important part of it, I think, is the contribution
6 to true international character of publishing
7 which would remove the exploitive character that
8 has grown up.

9 THE CHAIRMAN: Before we go
10 further, are there any other -- I want to ask
11 some questions too. I know Dr. Jeanneret
12 does. Are there any more positions you want
13 to state?

14 MR. BACQUE: There is one
15 point that has struck me forcibly in recent
16 weeks and that is in going to high schools
17 to talk to the students there, one after another
18 they say "How can we get Canadian books? Who
19 are Canadian authors?". They are completely
20 ignorant, most of them, who are the authors
21 in this country and they ask for more Canadian
22 literature courses. Doubtless we have had
23 some analysis of this situation already and
24 we are acquainted with the problem, but there
25 is the conundrum involved that if the educational
26 requirements in this province and probably
27 in the entire country, are not changed and
28 changed quite soon, we not only face the
29 cultural alienation of these students -- it
30 is pitiful to see -- we also face the



1 fact that the government will be constantly
2 asked by pressure groups to use subsidies
3 on the one hand to counteract the forces
4 we have created in the Departments of Education
5 in other provinces on the other hand.

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1 In other words, you will be asked to support a
2 failing publishing industry with tax money
3 partly because the educational system has turned
4 out children who are completely ignorant of the
5 products of the culture that the publishing
6 companies are part of.

7 THE CHAIRMAN: How do you feel about
8 the teachers? Are they also ignorant of the
9 product?

10 MR. BACQUE: I don't think nearly
11 as much but certainly I don't have, on the other
12 hand, a feeling that they are as aware as they
13 might be but Professor Godfrey may be able to
14 speak on this.

15 THE CHAIRMAN: If the students
16 are in this kind of condition surely there must
17 be a back-up into the teacher's position as well?

18 MR. GODFREY: Yes, largely because
19 of the failure of the universities and I speak
20 from personal example. When I was going through
21 the University of Toronto, Canadian literature
22 was taught as the last two weeks of the American
23 literature course and this was in 1960. Even
24 though that is where it was taught, we never got
25 to it. When I came back there was a movement
26 to split the American literature course into three
27 courses. This is at the University of Toronto --
28 put the American literature into three courses
29 and this was almost passed before I was aware of
30 it so, a group of students, we demanded an equality



1 of literature and they allowed this mainly on the
2 assumption that no one would take them.

3 Actually what happened was that
4 the American literature courses fell off very largely
5 and I ended up with all my other jobs, teaching
6 extra sections of the Canadian literature, so that
7 the demand is there. The failure is largely a
8 failure of the treacherous generation which preceded
9 us.

10 THE CHAIRMAN: What about the present
11 one?

12 MR. GODFREY: Well, the present
13 one is struggling.

14 THE CHAIRMAN: I think that is a
15 pretty good word for it. Can we now go on? I
16 would like to ask one or two questions, one or two
17 technical questions. Is your organization
18 incorporated? Is New Press incorporated?

19 MR. GODFREY: Yes.

20 MR. BACQUE: Not as such.

21 MR. MacSKIMMING: Operating in the
22 style of New Press.

23 THE CHAIRMAN: Maclean-Hunter
24 said to us as I recall it, they have an interest.

25 MR. BACQUE: A minority interest.

26 THE CHAIRMAN: They have a minority
27 interest and they have no influence over editorial
28 style and so on?

29 MR. GODFREY: That is true.

30 THE CHAIRMAN: This is the kind of thing



1 we want to hear about and if it has been helpful
2 to you we are interested to know that another
3 firm such as Maclean-Hunter will get involved.
4 Has this relationship been a helpful one to you?

5 MR. BACQUE: It has been excellent,
6 first-rate, creative.

7 MR. MacSKIMMING: We would not
8 have grown to the point where we are the third
9 most active publisher in Canada in terms of
10 output of titles had it not been for their invest-
11 ment in us and we feel very fortunate to have
12 gotten along as well as we have and to be to
13 to publish the books that we want to publish.

14 THE CHAIRMAN: You got an infusion
15 of capital from a domestic house?

16 MR. BACQUE: Not only that,
17 encouragement and to a degree, technical expertise
18 and advice and marketing help and so on. It
19 has been very fruitful.

20 MR. GODFREY: Shipping expertise.

21 THE CHAIRMAN: Mr. Camp wants to
22 know where the printing is done. Do they help
23 you with the printing?

24 MR. GODFREY: They bid on it
25 but they couldn't come down to our prices.

26 MR. BACQUE: We can be down on
27 the printing.

28 THE CHAIRMAN: That is fine, I just
29 wanted to touch on this because they have dealt
30 with it lightly and I just wanted to know how you



1 felt the relationship was?

2 MR. GODFREY: They put up the kind
3 of risk capital that institutions should put up.
4 We should have a Royal Commission where the banks
5 invest all their money.

6 THE CHAIRMAN: Some other day.
7 Now, I was following -- and I hope I followed
8 all the points, even the one about the baboon
9 countries, I thought that was a very apt
10 description. I wondered if you felt, just as
11 an aside and not using that word, whether you felt,
12 or whether you feel, that Canada deserves
13 culturally or economically or otherwise, to be
14 called a developed country?

15 MR. GODFREY: Well, I think one
16 of the companies, the House of Anansi,
17 has an African name and to extend upon Jim's
18 publication one of the humiliating things about
19 coming back to Canada was to come back from
20 countries whose cultural development is far
21 advanced above ours but whose gross national
22 product is much lower and to discover like to
23 compare Nigeria and Canada, Nigeria manages to
24 produce books, many of them under difficult
25 conditions, but it produces good books and if we
26 can afford monuments like this, why can't we
27 afford books? It is absurd especially when the
28 market is obviously there, a market of 220
29 million is a reasonable market.

30 We would be glad to start a



1 publishing company with such a huge market so I
2 would say culturally we are, underdeveloped is
3 not the word, but colonized. It was, of course,
4 a chosen colonization.

5 MR. BACQUE: There is, of course,
6 a native indifference, beyond all doubt.
7 You could walk down to Queen's Park and see a
8 statue erected to that randy Monarch King
9 Edward by a Canadian who thought it should be
10 brought here from New Delhi and placed in a
11 prominent position from one end of which you
12 can see Queen's Park and the other end of which
13 you can see the Tower of Upper Canada College
14 and great sums of money have been spent on this.
15 I think it is an example, not of a loyal devotion
16 to an honourable tradition but rather of the feeling
17 in this city and, to a large degree, in this
18 country that we are still the capital of the
19 empire.

20 This mentality, I suggest, has just
21 turned south now without dying in its original
22 form, it is has acquired a new aspect and it is
23 very bad for us. We end up culturally alienated
24 and that is the feeling that is growing up now.
25 We see the results of it also, I think, in Quebec,
26 very strongly.

27 THE CHAIRMAN: In the discussion
28 having to do with the foreign-controlled firms that
29 are operating in Canada, there was some discussion
30 about their lack of production of novels. This



1 point was made.

2 MR. MacSKIMMING: The books of
3 cultural importance.

4 THE CHAIRMAN: Was the point that
5 you were making that these companies are here,
6 they are in Canada, they are selective in the kind
7 of publishing that they are doing, they go into
8 the areas of low risk or lower risk, if you will,
9 and they are not in any way taking up an
10 obligation which you might feel that they should
11 have if they are going to dwell here, to publish
12 novels and get into these sort of things.
13 Is this the approach, the interpretation?

14 MR. CAMP: Do you think
15 they should be if they are going to be in our
16 society and if they are going to be working here
17 then they should take some of the profits which
18 they make to see that Canadian authors are
19 published and Canadian novels are published?
20 Is this the attitude?

21 MR. GODFREY: I don't think there
22 should be any American control whatsoever on
23 publishing in Canada.

24 THE CHAIRMAN: Assuming they are
25 here for the moment, is my interpretation of what
26 you are saying relatively correct?

27 MR. GODFREY: Yes.

28 MR. MacSKIMMING: Keep the
29 manuscripts in our drawer.

30 THE CHAIRMAN: We are getting all



1 kinds of suggestions as to how government
2 might intervene to save the industry and we have
3 had suggestions that people should be licensed or
4 that they should not be able to publish in Canada
5 or that there should be control. What do you feel
6 generally about the future participation of
7 government as such, whether federal or provincial,
8 in the affairs of the publishing industry other
9 than to just put money forward? Do you think this
10 is good or bad or is to be avoided or somebody had
11 better do something about it?

12 MR. GODFREY: Well, I feel that
13 the less government -- unfortunately we live next
14 door to the States and you can't afford the
15 sort of divisions of an ideal civilization when
16 you are next door to a large neighbour. However
17 it is going to be done with the government or not,
18 or what the means are --

19 MR. CAMP: You began by complimenting
20 the Commission in the matter of McClelland & Stewart.
21 I take it from that that you don't, as some others
22 have, seen the possibility of danger to the
23 editorial independence of the publisher with that
24 kind of assistance?

25 MR. MacSKIMMING: We are not ready
26 to ring the alarm bell because we have not seen just
27 what role the government and the members of the
28 government-appointed Board are to take. It is our
29 hope, of course, -- we are going to be watching
30 this very closely -- that McClelland & Stewart



1 will continue doing the kind of vigorous management
2 and publishing that they have been and that it will
3 now be possible as there has been an upturn in
4 sales in the last few years for them to turn the
5 corner and pay back their debts and eventually be
6 entirely free of debt and have no government-
7 appointed members on their Board.

8 It is too early to tell but we
9 hope there will be no danger of anything of that
10 kind. I would say the important thing is that
11 government ought to be accepted in cases perhaps
12 of extreme urgency or potential catastrophe
13 we had with McClelland & Stewart but that government
14 assistance should be made in the ways we have
15 outlined in the brief and if it is done that
16 way the Canadian publishers who have the books,
17 if they can be allowed to market them, promote
18 and advertise them and sell them on a par with
19 the American house or on a par with the agency
20 house which is distributing books for abroad
21 that they will soon become very healthy companies.
22 There is a lot of catching up to do and the animal
23 which is the Canadian publisher is a very different
24 animal from the branch plant of a corporation
25 based in New York in a 56-storey building.
26 They just have various obvious advantages that
27 have to be made good for the Canadian publisher.

28 MR. BACQUE: What alternatively the
29 Commission had indicated, this was one of the
30 sources --



1 THE CHAIRMAN: We had an alternative,
2 we could have done nothing.

3 MR. BACQUE: That is what we
4 feared the Commission might find itself doing
5 was just nothing.

6 THE CHAIRMAN: We are really not
7 structured that way.

8 DR. JEANNERET: I would just like
9 to ask a couple of very general questions. I
10 would like to ask just how selective your foreign
11 analogies are. I notice the word "American"
12 sent your blood pressure soaring and I noted that
13 Taiwan cooled you off but we didn't note British.
14 The question I want to ask is this: Mr. Camp
15 referred to Mel Hurtig is very much in favour of
16 immediate ratification by Canada of the Florence
17 Convention. What is your position, Mr. Godfrey,
18 respecting that proposal? This is the agreement
19 with the free flow of knowledge.

20 - MR. GODFREY: Well, I believe in
21 the free flow of knowledge from the rich to the
22 poor.

23 DR. JEANNERET: You remind me
24 when I was on the committee when one of the
25 witnesses said that indoctrination was all right
26 as long as it is the right kind of indoctrination.
27 It is the kind of qualified support that you give
28 then. You claim copyright under the UCC on
29 the books you publish, I presume, for authors,
30 Mr. Godfrey?



1 MR. GODFREY: Yes.

2 DR. JEANNERET: Now that you are
3 being distributed in the United States of
4 America by Dutton via Outerbridge & Dienstfrey,
5 as I understand, it you would be in a rather
6 embarrassing position if you published a book
7 by, say, a landed immigrant who still had U.S.
8 nationality and you had a copyright in the States
9 on this book. In fact, you couldn't sell and
10 send any copies there at all.

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1 MR. BACQUE: Only if we sold
2 the copies to Outerbridge and Dienstfrey,
3 or only if somebody broke copyright in the
4 United States in the prohibition.

5 DR. JEANNERET: How would you
6 be able to export copies if you manufactured
7 them here and the book was written by an
8 American?

9 MR. BACQUE: There is no law
10 against printing them here and exporting them.
11 That is not against the law.

12 DR. JEANNERET: It is not
13 against the law but you lose your U.S.
14 copyright.

15 MR. GODFREY: We did this
16 in one of our attempted early revolutionary
17 steps which was to print a book by an American
18 author in Canada and to ship it to the border.
19 When the Americans seized copyright which we -- if
20 an American company seized the copyright and
21 published it there. We were going to then
22 seize one of their books and publish it here
23 without copyright. Unfortunately, it never
24 got beyond the American customs and it is
25 still there, 2000 copies.

26 MR. CAMP: What book was that?

27 MR. GODFREY: Three Thousand.
28 It was a book by Allan Ginsberg.

29 DR. JEANNERET: I thought you
30 had gotten them to California, actually?



1 MR. GODFREY: No, we had to
2 reprint in California.

3 MR. MacSKIMMING: We only shipped
4 up to 1500 copies and there was an embargo.

5 DR. JEANNERET: If you had
6 adequate protection you could send them
7 1500.

8 MR. GODFREY: I think we agree
9 basically with the further absurdity of
10 American domination of the Canadian market
11 without all these hassling qualifications.
12 We are attempting to slightly balance
13 the situation, but that, you know, is a minor
14 point.

15 MR. BACQUE: In any event,
16 we are printing in this country copies of
17 books to export to the United States by
18 Canadian authors. We have seven titles so
19 far this year.

20 MR. MacSKIMMING: Just to pick
21 up a point of Dr. Jeanneret's, I don't think there
22 are any attempts to indoctrinate. We are
23 attempting to sell this situation and correct
24 the imbalance of cultural influences, not
25 only by publishing more -- as many Canadian
26 books as we can and exporting them to the U.S.,
27 but creating, as we said, the truly international
28 publishing scene which gets distribution for
29 African, Caribbean, French, Scandinavian books.
30 This, I think is something to be desired and



1 this I would call true internationalism.

2 MR. GODFREY: It reaches a
3 point. I will agree with the defensive copyright
4 as an author, but it reaches a point where
5 you are working on a culture where the main
6 average income is \$50 a year if you are going
7 to take copyrights of an American scientist
8 who is making \$50,000 in royalties. I have
9 friends who published a book on copyright
10 and and have done this. It is too complicated
11 a problem.

12 DR. JEANNERET: A lot of reference
13 has been heard as to Xerox machines.

14 THE CHAIRMAN: Gentlemen, we
15 appreciate very much your taking the time to
16 come here for this discussion. I hope that
17 everything we do in our work in the future will
18 be bent toward making the situation, the
19 atmosphere, much more acceptable in the broad
20 base, and this is the direction we will pursue.

21 Thank you very much.

22 MR. BACQUE: Thank you very much.

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SUBMISSION OF MR. WILLIAM PICKERING

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THE CHAIRMAN: Sorry to keep
you waiting. We have other things in the world



1 MISS THOMPSON: We don't mind
2 in the least.

3 THE CHAIRMAN: We will carry on
4 now, if we may. Mr. W. Pickering and Miss R.
5 Thompson, Northmount Junior High School.

6 You have given us a very interesting
7 brief and if you would be kind enough to
8 comment, please.

9 MR. PICKERING: Thank you very
10 much. I would like to start by thanking the
11 Commission for the opportunity to come here
12 today. We, in the schools, are particularly
13 glad that since there is an increasing emphasis
14 on Canadian nationalism, we are glad to see
15 the government is taking an interest in the
16 fact that the book publishing industry has
17 a very close connection with what we can do
18 about pushing Canadian nationalism in the
19 schools.

20 I would think -- I am not going
21 to read any of the brief. Some of the main
22 points, I think it is important to emphasize
23 that most students have their only contact
24 with the study of Canadian history and Canadian
25 studies at this intermediate grade level,
26 VII, VIII, IX and X. Beyond that there are
27 optional courses and students can opt out.
28 A student can go to Grade XIII, right to the end of
29 school, without having anything to do with Canadian
30 history again.



1 DR. JEANNERET: You say the only
2 contact he has is after the intermediate level?

3 MR. PICKERING: For many the
4 only contact they have is within the
5 intermediate level. This was not always the
6 case. Since so many students are there, their
7 only contact with Canadian history, we emphasize is at
8 this age level.

9 The recommendations are not
10 the main parts of our brief. The two main
11 points we are making are, first, that very
12 often we want to buy Canadian published materials
13 and we sometimes this is just not available,
14 the sort of content we want to teach.

15 The second point is that
16 sometimes when we do find Canadian material
17 it is completely non-competitive in form and
18 we are forced to get it from other countries.

19 DR. JEANNERET: Explain
20 "non-competitive" so there is no chance of
21 misunderstanding?

22 MR. PICKERING: I mean the
23 price is simply too high in relation to
24 products from another point, an increase
25 of 100 per cent. If the material is available,
26 we have got some examples we will talk about
27 later. It is such an advanced level and
28 strictly for the trade and tremendous cost
29 that we can't buy it for the schools.

30 Our recommendations, there are



1 five, are not the main part of our brief.
2 We suggest that there are many materials now
3 published at the wrong level and it would be
4 good if they could be revised for use at a
5 lower level.

6 We suggest that it would be
7 good if there were more things on Circular
8 14. The new Circular 14 does include much
9 more non-text material. There are many
10 items of the government, guides to forts and
11 canals and maps and so on, which would be
12 of use in the schools if they were published
13 for sale. We think there is a market for
14 a great many books that is being missed by
15 poor market research. There are teachers
16 who would go out and buy some. It is not
17 O.I.S.E. or the Department that buys them
18 but some of these publishers don't seem to
19 know we are out there.

20 Finally, that since we find
21 the need for publication so great, we certainly
22 think any form of subsidy which you think
23 would be desirable would be a good idea if
24 it is necessary to produce for the competitive
25 Canadian publications.

26 Our brief seems to concentrate
27 on the weakness of Canadian publishing and
28 I suppose this is because we are not publishers
29 ourselves and we only know what we can or
30 can't buy. We do have some examples here of



1 some Canadian publications which seem to come
2 close to meeting our needs. I think that is all
3 I wanted to say.

4 THE CHAIRMAN: Miss Thompson,
5 did you want to say anything?

6 MISS THOMPSON: Not at the
7 moment.

8 DR. JEANNERET: Just a couple
9 of questions because your brief was very clear.
10 When you advocate more auxiliary teaching
11 material, books other than texts, you are
12 still talking about books, you are not talking
13 about non-print media?

14 MISS THOMPSON: At the moment
15 we are talking about books. With the
16 tremendous changes in resource areas in the
17 last ten years, we need a different type of
18 thing and we need to have topical material
19 that we can quickly put into the hands of
20 the child instead of handing him a book that
21 deals with any number of things.

22 DR. JEANNERET: You include
23 non-print media?

24 MISS THOMPSON: We certainly
25 have it in the library, although we have not
26 dealt with it in the brief.

27 DR. JEANNERET: Are you suggesting
28 Circular 14 should include chasing into
29 cassettes and filmstrips and other things as
30 well?



1 MISS THOMPSON: I don't think
2 so because that is up to the library resource
3 area to have that material available.

4 DR. JEANNERET: I wasn't sure
5 of the meaning of the recommendation.

6 MR. PICKERING: I think this
7 is sort of training as to the thought that
8 books are what we need.

9 DR. JEANNERET: The subsidization,
10 as you suggest might be necessary if we have
11 to have Canadian materials, I suppose that
12 might best take the form, if it should take
13 any form, of expanded library grants possibly
14 earmarked in whole or in part for the purchase
15 of Canadian books. Is that so?

16 MISS THOMPSON: Not necessarily.
17 I think that the printing of the books is
18 what makes the price so different. We have
19 two here. We thought them reasonable as
20 to the print, the type of paper, et cetera,
21 et cetera. One costs \$21.75 and the other
22 costs \$6.18.

23 DR. JEANNERET: Obviously this
24 is a question of the economics of scale
25 operation again. If there were earmarked
26 grants available that made it possible for
27 you to pay the \$21, assuming those books
28 would be published in greater quantity and, the price
29 hopefully would be \$14 or \$16?

30 MISS THOMPSON: That is true.



1 DR. JEANNERET: I don't know
2 if you can answer that finally, of course.

3 One other comment I would make,
4 and I don't think you are advocating this,
5 there might be an excellent work for Grades
6 XII and XIII in a subject area. My own
7 experience is, in preparing material for lower
8 grades, and I have had something to do with
9 this myself, the last thing you can afford to
10 depend upon is secondary materials or, at least,
11 materials so far down the scale as being
12 intended as textbooks in the school spectrum
13 at all, conceivably something at the college
14 level would be helpful, you are not recommending
15 a simplified version, or anything as simple
16 as that, are you?

17 MR. PICKERING: Not except
18 as a last resort. As the question is nothing,
19 I am familiar with ---

20 DR. JEANNERET: If you have
21 good creative authorship available at the
22 level you are interested in, I would hope
23 it would turn ---

24 MR. PICKERING: It would be
25 preferable but is there such authorship?

26 DR. JEANNERET: There must be
27 and we have got to find it and stimulate it.

28 MR. PICKERING: Is this the level
29 at which the subsidy should occur? There are
30 many people who have done research who find it



1 virtually impossible to get books into print
2 because -- should the subsidy occur directly
3 on the level of subsidizing authors?

4 DR. JEANNERET: The only thing
5 about the way the market works is if one
6 could develop a market for the book, then
7 it would automatically give the incentive
8 to authors to write for it. That is just
9 as you would give the publishers to publish
10 for it. The whole thing is wrapped together.

11 MR. PICKERING: We very often
12 find the market is shaped by the availability
13 of materials. Teachers very often teach what
14 is available because they do not have the time
15 to, in a sense, go into new fields and create
16 a market.

17 DR. JEANNERET: It is a vicious
18 circle.

19 MR. PICKERING: In schools,
20 if the book is there very often the subject
21 gets taught and if the book is not there,
22 you move over and do black studies.

23 DR. JEANNERET: If I had
24 any convictions at this stage, I have lost
25 a lot of them. Publishers are going to publish
26 in almost any field for which there is
27 clear demand and it is a matter of coordinating
28 demand and interest and getting things in the
29 right order. However, this is a matter
30 we have to study. I have nothing else, Mr.



1 Chairman.

2 THE CHAIRMAN: I take it you
3 are satisfied there are texts available for
4 these grades of which you speak, VII, VIII and
5 IX, that seem to be an adequate kind of
6 approach, as far as texts?

7 MR. PICKERING: The text is
8 so rarely used any more that it scarcely seems --
9 they are virtually all on Circular 14 and
10 I can't think of a school in North York
11 where one school gives out a text, one gives
12 a list of a variety of books and you have
13 a topic going and you have material on that
14 topic.

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1 There are texts, yes, they
2 are there.

3 THE CHAIRMAN: Let us talk
4 about the North York system. Is the system
5 there thattthe teachers in virtually all grades
6 make their own choice as to the books that
7 are going to be used by way of reference
8 or texts, is that the way it is?

9 MISS THOMPSON: It is more
10 with the Chairman of the Department.

11 THE CHAIRMAN: The Chairman of
12 the Department in a particular school?

13 MR. PICKERING: He will choose
14 the text for that particular school and
15 recommend the library books on his subject in
16 that field.

17 THE CHAIRMAN: Are you two ever
18 involved in any such discussions?

19 MR. PICKERING: Yes.

20 THE CHAIRMAN: In these discussions
21 when do they usually take place, what time of
22 the year, sort of thing?

23 MISS THOMPSON: All year.

24 MR. PICKERING: Constantly,
25 every day.

26 THE CHAIRMAN: Every day?

27 MR. PICKERING: Every day. The
28 library is practically an adjunct of the history
29 area. We are across the hall and students
30 are circulating back and forth, so are teachers.



1 "I need a volume" so they go and get it.

2 THE CHAIRMAN: The committee
3 will select the books for use in the school,
4 is it constantly meeting during the year?

5 MR. PICKERING: It is a much
6 more ad hoc sort of idea. The basic year's
7 outline is decided on about now for next year.

8 THE CHAIRMAN: And it is
9 decided about now for next year. Were you
10 at the meetings last spring?

11 MR. PICKERING: Within our
12 school, yes.

13 THE CHAIRMAN: To what extent
14 was Circular 14 used by way of a guide?

15 MISS THOMPSON: This does
16 not concern me at all.

17 MR. PICKERING: Library books
18 do not fall under Circular 14. Circular 14
19 is texts. I have two book lists I can order
20 from Circular 14 or I can order additional texts
21 approved by the board or I can request that
22 a book be given approved status by the board.
23 Within my budget, I know that books on Circular
24 14 come first so I buy as many from Circular 14
25 as I can see fit to get in my program and
26 I move to the extra approved list and that,
27 in combination with those books are recommended
28 for purchase from there. Circular 14 is
29 pretty important.

30 THE CHAIRMAN: The extra list,



1 this you say is approved by the Board of
2 Education of the Borough of North York, is
3 that correct?

4 MR. PICKERING: That is right.

5 THE CHAIRMAN: How extensive
6 is that list, say, in comparison to Circular
7 14?

8 MR. PICKERING: Last year it was
9 very extensive. This year Circular 14 has
10 been expanded a great deal with a lot of
11 non-text material and there are no history
12 texts on the extra list at all this year.
13 It is probably much, if the expansion of
14 Circular 14 ---

15 THE CHAIRMAN: Do you think
16 the budget may have caused a reduction ---

17 MR. PICKERING: I am inclined
18 to think so, but I don't know the mechanics
19 of it.

20 THE CHAIRMAN: Do you know
21 last year what the approved supplementary
22 list of the Board, if it had been, in fact,
23 approved by anyone else other than the Board
24 itself?

25 MR. PICKERING: I don't know that.

26 DR. JEANNERET: Could I ask
27 on the point you are raising; the per-pupil
28 grant that you are aware of that you have at
29 your disposal would run at what level?

30 MR. PICKERING: Since I am one



1 department of many in the school, I am not sure
2 what my share of the school's grant per-pupil is.
3 I get the total picture.

4 DR. JEANNERET: Do you know
5 the school's grant per pupil?

6 MR. PICKERING: No, I don't.

7 MISS THOMPSON: As far as the
8 library itself is concerned, I believe ours
9 is \$7 per pupil.

10 DR. JEANNERET: Did you say
11 the library?

12 MISS THOMPSON: Yes, the library.

13 THE CHAIRMAN: If we, or some
14 of our staff were to want to find out in North
15 York Borough, within the Board's structure,
16 more about the utilization of Circular 14 or
17 the preparation of the supplementary list and
18 how it is done, who is it in the structure that
19 we might approach? Is it Dr. Tuff?

20 MISS THOMPSON: Mr. Brown,
21 Superintendent of Instruction.

22 THE CHAIRMAN: We are, of course,
23 quite concerned about Circular 14 and its
24 ramifications and the attention that anyone
25 is paying to it, if at all, so we will very
26 likely come directly to grips with this later
27 on.

28 We appreciate your coming, this
29 is a very helpful brief and we appreciate the
30 trouble you have gone to.



1 DR. JEANNERET: Could I make
2 one observation, Mr. Chairman? The point to
3 the Peter Mellen series, as high priced,
4 relatively speaking, do you know it was the
5 subject of a fantastically high subsidy from
6 the Canada Council already.

7 MR. PICKERING: I was not aware
8 of that.

9 DR. JEANNERET: I am afraid to
10 put the figure that is in my mind, because I
11 could be so wrong.

12 MR. PICKERING: Is it strictly
13 the size of the market that determines the
14 ultimate cost of the book, or is it printing
15 costs?

16 DR. JEANNERET: Well, of course,
17 you can't conceive of a more expensive type
18 of book to produce and I think they did very
19 well, notwithstanding the subsidy. It is a
20 most creditable book and that is what makes
21 McClelland and Stewart as popular as they are.

22 MR. PICKERING: Our question,
23 of course, is you can rely on Paul Hamelin
24 for ridiculously low prices and when you are
25 working on a low budget, the cheaper the
26 material becomes important.

27 DR. JEANNERET: Is it a world
28 market or is it a relatively small local market?

29 MISS THOMPSON: Places like
30 Spain, Italy, Portugal, and so on.



1 DR. JEANNERET: This was done
2 here.

3 THE CHAIRMAN: As you say,
4 many of them are.

5 Thank you very much.

6 MR. PICKERING: Thank you.

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9 ---Adjournment

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ONTARIO

ROYAL COMMISSION ON BOOK PUBLISHING

Mr. Richard Rohmer, Q.C.	Chairman
Dr. Marsh Jeanneret	Commissioner
Mr. Dalton Camp	Commissioner

Mr. Robert Fleming	Executive Secretary
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252 Bloor Street West, Toronto,
Ontario, April 30, 1971

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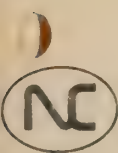
Dr. John Gray, Chairman The MacMillan Company
of the Board, Mr. Hugh of Canada Ltd.
Kane, President, Miss
Gladys Neil, Vice-President,
School Division

Mr. C. Deane Kent, Lake Erie Regional
Director, Mr. David Library System
Skene Melvin, Assistant
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Professor John Marshall, University of Toronto
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Professor R. Brian Land, Science
Director; Mrs. Pat Fleming,
Teaching Assistant;
Professor Madis Cariou,
Assistant Professor, and
Mr. Lynn Matthews, M.L.S.
Student

Mr. Geoffrey Nathan Radicals for Capitalism





Toronto, Ontario,
April 30, 1971.

--- The hearing commenced at 10.00 a.m.

THE CHAIRMAN: Good morning. We have with us this morning the MacMillan Company of Canada Limited, Dr. John Gray, who is Chairman of the Board, Mr. Hugh Kane, President, and Miss Gladys Neil, Vice-President of the School Division.

As is our practice, as you know, we would asked you to touch on the high points that you would like to make and that we would like to discuss.

SUBMISSION OF THE MacMILLAN COMPANY
OF CANADA LIMITED

DR. GRAY: Thank you Mr. Chairman and gentlemen.

Mr. Chairman, in our brief we have devoted a good deal of space to the general background of the company, its evolution from the MacMillan & Company Limited of London because we felt that developing this background explained a good deal of how we came to so automatically move into the Canadian scene and become Canadian publishers.

We recognize that the picture we have given is that of a traditional publisher, which is not a very popular conception. Traditional publishers, like anything else, tend to become



1 fast in their attitudes and procedures and I
2 do not think we claim we have escaped all the
3 penalties of old age.

4 THE CHAIRMAN: Would you use the
5 word "seniority" rather than "old age"?

6 DR. GRAY: I would be glad to,
7 Mr. Chairman. Something else goes with the
8 tradition publisher, however. The early tradition
9 has always been ~~that~~ with that type of publisher
10 there was a commitment to something other than
11 merely making money -- an interest in contemporary
12 affairs and interest in education, religion and
13 literature. Commitments changed as time went
14 on but the attitude remained of a willingness to
15 publish books for no better reason than they ought
16 to be published or that the publisher simply
17 wanted to publish them. I think this is a
18 natural inheritance.

19 Out of this has come a tendency
20 on the part of the public sometimes to believe
21 that publishers are a literary foundation, which
22 they are not. The Book Publisher's Council
23 brief referred to publishers other than university
24 publishers as being interested in profit, in
25 business to make a profit. What it didn't say
26 was that they were in business to maximize
27 profit, and I think that is an important distinction.
28 All publishers, worthy of the name, I think, do
29 a certain number of books that have not economic
30 justification.





1 As publishing houses go, and I think
2 this is one of the concerns of publishers, with
3 expansion comes expanding obligations, expanding
4 expenses and, under present conditions, the
5 difficulties that go with this. I am referring
6 to the necessity for supporting authors who become
7 attached to one, not only taking their most
8 popular and profitable books but taking others --
9 part of a whole relationship between author and
10 publisher.

11 We have referred in our brief to the
12 fact that we have not escaped the difficulties
13 of the present time. The last two years were the
14 worst in more than 20 years in our history.
15 In the brief we have talked of the difficulties
16 of getting books published, particularly books of
17 a certain kind, but books that need publication.
18 We have not talked enough, I think, about the
19 difficulties of getting books written and of
20 how authors live while they get books written.
21 This is true in the textbook field as in the
22 general interest field.

23 I think some consideration ought
24 to be given to some basis or some support under
25 which potential writers of textbooks can have
26 some sabbatical arrangement and have some grant
27 while they are working on books, on textbooks,
28 otherwise a great many of them go simply unwritten
29 and there are many books that are needed in this
30 field, as in the field of general literature.



1 We have made specific recommendations
2 about questions of buying around, about the
3 tightening up of regulations under Circular 14
4 and other matters that are set out in more
5 detail in the brief. I would like to say a
6 little more about buying around.

7 I think there was a misunderstanding
8 during the Book Publishers' Council and I would
9 like to make sure that we are not misunderstood. --
10 the question of what is, or is not, an American
11 jobber and what channel would, or would not, be
12 a reasonable one from the point of view of
13 Canadian publishers, publishers operating in
14 Canada. We have said that we thought that
15 library purchases should be made through Canadian
16 jobbers or through Canadian publisher agents
17 wherever possible and that does not mean buying
18 from an American jobber who is merely turning in
19 his order to a warehouse in New York and bringing
20 books in. It means buying either from a jobber
21 who will buy them in Canada or buying them from
22 the publisher or publisher agent, here.

23 We promised in our brief to discuss
24 photocopying and have not done so. We would
25 like to make a supplementary statement about
26 this later. We considered that in reference to
27 this, which really is an answer to the report
28 of the Economic Council, the problem must go first
29 to them with, if you will, a copy to this
30 Commission.



1 Mr. Chairman, I think that is
2 all I would say at this moment by way of preamble
3 except this: Although this is an Ontario
4 Royal Commission its findings, I am sure, will
5 have and can have, great effect all across the
6 country. It is the only hope, I think, of
7 convincing people that the publishing problem is
8 a national problem. It is difficult for the
9 publishers to do this because in the outer
10 reaches of the country they are far from Toronto
11 and we have not the contact that perhaps we should
12 have.

13 Thank you.

14 THE CHAIRMAN: I would just respond
15 to that, Mr. Gray, by saying that I, from time
16 to time have said that Toronto has done more
17 for national unity than any other place in the
18 country, for the simple reason when we get outside
19 of Toronto everyone has one thing in common,
20 they dislike Toronto so much.

21 MR. KANE: Mr. Chairman, may I
22 have a word? I would not want to over-
23 populate your stage this morning but we have
24 with us besides Miss Neil, three of our directors
25 and the head of our Trade and College Division
26 who is the Treasurer of our company and, if needed,
27 during the later period, we hope we may be
28 allowed to call on them to answer questions.

29 THE CHAIRMAN: Yes, if there are
30 any questions that are put to you that you feel



1 you would like to call on someone else to answer,
2 feel free to do so.

3 DR. GRAY: May I say sir, in all
4 modesty, that the Canadian members of our Board,
5 between them, represent 230 years' experience
6 in Canada in Canadian publishing.

7 MR. KANE: Miss Neil's contribution
8 is three years.

9 THE CHAIRMAN: Is there anything
10 else you would like to say or that anyone
11 would like to add before we start to ask questions?
12 I said we were going to ask the odd question.
13 My friend says yes, every question we ask will be
14 odd.

15 Since you are ripping away at the
16 paper, you might begin the questioning, Mr. Camp.

17 MR. CAMP: You would be considered
18 a multi-national corporation. Do you consider
19 yourselves a multi-national corporation?

20 DR. GRAY: We have never thought
21 of ourselves in that manner.

22 MR. CAMP: You can be put in
23 three camps or more, countries?

24 DR. GRAY: Yes.

25 MR. CAMP: A publishing program here,
26 a publishing program in the United States and a
27 publishing program in England, each independent
28 of the other?

29 DR. GRAY: Yes.

30 MR. CAMP: I was impressed by your



1 appendix, letters from Robertson Davies, Donald
2 Creighton, Hugh McLennan, Ramsay Cook, and so on.

3 DR. GRAY: We were impressed by them
4 ourselves, Mr. Camp.

5 MR. CAMP: Could you, for our
6 benefit, summarize the advantages that you think
7 accrue to a Canadian author who publishes with an
8 organization such as yours that has this feature
9 of being operative in two or more countries?

10 DR. GRAY: I would hesitate to claim
11 very much for it. I have always felt that our
12 greatest value to Canadian authors was as a Canadian
13 publisher, the relationship that is established
14 between author and his editor and/or publisher
15 in having someone close by to talk to.

16 In some cases it provides entree
17 to outside markets. It is not an automatic thing
18 and I think no so-called national publisher can
19 claim it is so. However, it does give us a
20 multi-national aspect of it, it gives us some
21 familiarity of outside markets that permits us,
22 I think, to be good counsellors or good advisors
23 and, occasionally, to be able to place an author's
24 book with our principal or with someone we are
25 associated with in one of the other countries.

26 MR. KANE: May I add a word,
27 Mr. Camp? Having spent a good part of my life,
28 my publishing life, without these advantages,
29 I am inclined to look on them as being of greater
30 advantage than, perhaps, Mr. Gray suggests.

I think it does give us an opportunity to secure distribution for Canadian authors in not only London and New York, but in Melbourne, Johannesburg and here.

As Dr. Gray says, I don't want to over-state this case but I think this is a fact.

MR. CAMP: I was very impressed with Hugh in which I think he states that he sold in German alone, 220,000 copies.

DR. GRAY: This is not our doing.

MR. CAMP: Could you explain that, then?

DR. GRAY: Well, authors of a certain stature are quite likely to have outside publishing arrangements of their own and agents in London and New York. I don't believe we had anything to do with placing the watch that ends the night in Germany. On occasion we have done this, but in that particular case I do not think so.

MR. CAMP: During this depressed period that you speak of, have you published more or less Canadian titles say, in the last two years?



1 MR. CAMP: Say the trade
2 publication.

3 DR. GRAY: I would say not a
4 great many of them. I said in the brief that
5 it is not easy to change direction, to cut
6 back a program, but I think all publishers
7 must admit we are probably saying no more
8 readily to borderline books under these difficult
9 conditions than we would have done two or
10 three years ago, three or four years ago.

11 MR. CAMP: One of the things I
12 am confused about is the first edition, which
13 is really an arbitrary quantity of first
14 editions, a truly arbitrary number. There must
15 be some principle involved where there must be
16 a number.

17 DR. GRAY: There is. What
18 you do is try -- publishers are almost pathologically
19 optimistic, but what you try to do is put together
20 the desired printing quantity that will give
21 a price that works, a suitable price for the
22 market and hopefully a price that will produce
23 a profit. You find cases of books that you
24 may have taken on sometime before -- new
25 conditions have come in, costs have changed
26 and the book has become enlarged, more
27 illustrations. We cannot -- you may -- you cannot
28 realistically overprint a book, print enough
29 to make an arbitrary price, viable price,
30 and you may just shut your eyes and underprice it



1 and pray for relief. That happens quite often.

2 MR. CAMP: At what time is
3 the decision made for a second printing, if
4 there is one? Is that decision made when you
5 have reached a certain number of sales, or
6 is that again an arbitrary judgment?

7 DR. GRAY: It depends on how
8 fast the first edition is going out, and what
9 the general prospects of the market are. You
10 could well have very few books in the warehouse
11 but know the bookstores are full of books.
12 In the case of a school book, this may turn on
13 whether a book is working well in this market
14 and how quickly you are going to need further
15 copies and so on.

16 MR. CAMP: There is one statement
17 here which I have not heard made before and
18 it has to do with some of the opinion that has
19 been expressed here, and expressed as well
20 elsewhere. You say "the assumption back
21 of this", which is the present crisis of
22 publishing Canadian houses need help and
23 are entitled to it. You say:

24 "The assumption back of
25 this is that Canadian
26 ownership of itself
27 guarantees a concern for Canadian
28 life - Canadian values,
29 Canadian unity, Canadian culture,
30 Canadian survival. Our view



1 must be that if this is not
2 merely silly it is a luxury Canada
3 cannot afford."

4 Would you agree, though, that it may be a
5 luxury Canada can't afford to sustain and
6 support all publishing and it becomes a matter
7 of priority, perhaps the needs of Canadian
8 publishers should come first, because they
9 have absolutely no other resource to fall back on?

10 DR. GRAY: Neither has anybody
11 who is really committed to this market.
12 Perhaps that is not so. This is the basis on which
13 we assume we operate.

14 MR. CAMP: You are financing
15 a company such as MacMillan, house of MacMillan, which
16 is on internationally recognized and well-
17 endowed corporation.

18 DR. GRAY: You said well-endowed
19 and I didn't.

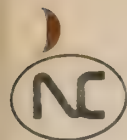
20 MR. CAMP: There would be money
21 in various pockets, would there not?

22 DR. GRAY: I think so.

23 MR. CAMP: Sometimes - more in some
24 pockets than others and most of the time, more
25 money in some pockets than others.

26 MR. KANE: I think there is
27 a popular belief that firms such as ours
28 with international affiliations and headquarters
29 outside the country can, like an extravagant
30 child, run to mother every time he wants a bit





1 more money to spend. This, of course, is sheer
2 nonsense.

3 MR. CAMP: That might be, sir,
4 in its conception, but would it also be in --
5 two points I want to ask you: One is that you
6 can and probably, or perhaps have on occasion
7 used the resources of parent companies to
8 assist in financial matters, or let us say
9 a banker would look upon your request for capital
10 in a somewhat different light than he would look
11 upon the House of Anansi, not necessarily because
12 of the publishing record ---

13 MR. KANE: This may be true of
14 some bankers, but it is not true of ours.

15 MR. CAMP: It is of no help to
16 you whatever?

17 DR. GRAY: I don't believe we
18 should say that. There may be assumptions of
19 stretch.

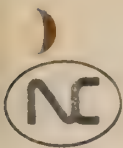
20 MR. CAMP: May I ask, do you borrow
21 directly from many of the parent companies,
22 or ---

23 DR. GRAY: We have borrowed
24 once in our history from the parent company,
25 so far as I am aware, and that was when we put
26 up a new building. This had to be repaid
27 and it was repaid in two or three years.

28 MR. CAMP: What sort of building?

29 DR. GRAY: A warehouse adjoining
30 our building on Bond Street.





1 MR. KANE: Excuse me, Mr. Camp,
2 let us make the point clear. This is the one
3 occasion in over 70 years that we had taken
4 advantage of this. The money was necessary,
5 it was borrowed -- instead of being borrowed
6 from a bank it was borrowed from London. It
7 was repaid, as Mr. Gray says, within a matter of
8 two or three years.

9 MR. CAMP: I hope you don't
10 suspect I am being critical of either the
11 practice or the precedent?

12 DR. GRAY: Not at all.

13 DR. JEANNERET: Well, I
14 found your Brief filled with so much in the
15 way of interesting insights and very frank
16 anecdotes on how publishing operates, I noted
17 mine with red underlines and very often it
18 means amen and sometimes I disagree, but
19 I have a few questions to ask. I think on
20 page 16 you make a statement that really
21 deserves a little enlargement. It is so
22 important. You are speaking about the effects
23 of deflation in publishing and certain:

24 ". . .further increase in
25 manufacturing costs but they have
26 not reduced costs, and they
27 have checked purchases."

28 Then you go on to say:

29 "In the result there are now
30 very few Canadian general books



1 that can be published or
2 reprinted with confidence in
3 an edition sufficiently large to
4 permit publication at a price
5 acceptable for the market, that
6 provides any hope of profit. The
7 choice - to overprint or to
8 underprice."

9 There is certainly a great deal of truth in
10 that, but I think it deserves a little development
11 because, accepted at face value -- and I do
12 accept it at face value -- it presents a very
13 pessimistic picture of commercial viability in
14 publishing.

15 DR. GRAY: I think at the moment
16 the picture is not cheerful, as far as Canadian
17 general publishing is concerned. That does
18 not mean I don't think we will be cheerful again.
19 This is partly, and indeed to a large extent --
20 deflation, buying power. It really is true
21 that, particularly in areas such as new fiction
22 or not so new fiction, fiction by established
23 writers and certain poetry, this always
24 has been true. In fact, all but the most
25 established non-fiction writers, the problem
26 of being able with confidence to print a large
27 enough edition, cut down a unit cost, to
28 price for a profit and a reasonable price
29 is almost impossible.

30 DR. JEANNERET: I remember that



1 we used to say that the problem isn't, with books,
2 they are too long, they are often too short
3 and the result is that the public expects
4 such a low price that you can't afford to handle
5 them and recover your handling costs. Of
6 recent times this increasing cost -- and I
7 would like to know if you agree with this --
8 has led us to feel very often that, indeed,
9 books can get very long, and I can recall a
10 situation in the last year where we had an
11 ability to print 10,000 copies and be sure
12 that we could sell them, of a very major book
13 but because they ran 800 or 900 pages, we
14 couldn't cost out the production of that book
15 at a price that students would be willing to
16 pay, or should be expected to pay. Would
17 you corroborate that? It is a dilemma.

18 DR. GRAY: Yes.

19 DR. JEANNERET: Of Canadian
20 publishing. On page 17 I think this is
21 your department, particularly, Miss Neil, where
22 you are speaking about the rise of really the
23 end of the basic, single, prescribed textbook era
24 and the rise of the multi-textbook resource
25 situation. You say:

26 "In many cases Canadian books
27 are given no preference and
28 are hardly visible."

29 This is true, and you say:

30 "Though we have some reason to



1 doubt the practical value of
2 this approach in the hands of
3 average teachers, we
4 recognize its theoretical
5 virtue."

6 I think it is important that in other words
7 the basic textbook, you are saying, still has
8 a place in the hands of poorer than average
9 teachers?

10 MISS NEIL: That is true,
11 Dr. Jeanneret, and actually in our experience
12 we have found in a great many classrooms
13 individual classrooms, teachers are still using
14 basic textbooks, although educators generally
15 are advocating the use of a great many
16 reference books, resource books in the classroom,
17 but it is not always easy for the average
18 teacher or teachers who have not had adequate
19 experience or training to handle a great
20 many textbooks or basic books, resource books
21 in this way. Sometimes it is evident that
22 it also is difficult for youngsters.

23 DR. JEANNERET: Thanks, I think
24 we should keep that before us.

25 Dr. Gray, you were talking
26 earlier about buying around library books and
27 on page 23 you were on that subject. You
28 state very clearly the position that you have
29 already summarized this morning, and then you
30 say:



1 "Safeguards against abuse in
2 either high prices or bad service
3 can be established to avoid the
4 objectionable results that could
5 occur."

6 Now, obviously the safeguards have to be
7 developed and perhaps have to be developed by
8 the industry first. Could you begin that
9 discussion -- it may go on for a long time
10 in the future. I don't mean this morning.
11 I think it is one we are going to have to pursue
12 on looking at this all, and we may never
13 be convinced that adequate safeguards could
14 be developed. There are practical, there are
15 legal, there are policy problems in the way
16 I see it now.

17 DR. GRAY: Mr. Chairman, the
18 industry itself has never been very successful
19 at regulating this kind of thing. It is
20 peculiarly difficult for it to have a relation
21 that is reliable on prices and service. The
22 air is full of smoke but it is difficult
23 to pin down.

24 When the Cooperative Book
25 Centre was first started, we did -- we had
26 there the machinery for some real knowledge
27 of what kind of service people were giving
28 and, for a time, it was hoped this could
29 be at least by way of example, by providing
30



1 members with some sort of listing, with
2 some sort of indication of how long
3 different houses were taking to fill orders.
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1 But it didn't have as much effect as we hoped
2 it would. I think if a regulation such as this
3 were put in that there would have to be some kind
4 of board of review or complaint. In many of
5 our recommendations we have tended to assume that
6 an outcome of this Commission might be something
7 like a publishing development board or a publishing
8 advisory board that might help administer funds,
9 give help to Canadian publishers, if it is
10 considered necessary and it could also serve
11 some of these other functions as well.

12 DR. JEANNERET: It could hardly
13 operate on each order or anything like that but
14 would this lead us into some terrible licensing
15 situation, or what?

16 DR. GRAY: I think that you could
17 visualize a situation where publishers, if their
18 prices were unduly high or their service was
19 lamentable, might well be let out of the benefits
20 of this.

21 DR. JEANNERET: For a period of
22 six months, or something like that?

23 DR. GRAY: Libraries would be told
24 that they are relieved from obligation as far as
25 these publications are concerned.

26 DR. JEANNERET: It is a big
27 problem, isn't it?

28 DR. GRAY: We need something drastic to
29 make this kind of regulation acceptable.

30 DR. JEANNERET: Miss Neil, are we in





1 educational publishing now, that is, school book
2 publishing? Are we looking outside the community
3 of professional teachers more often than we used
4 to for authorship by virtue of the change in
5 taste in selection of what used to be basic text-
6 books and now has a new status in the classroom?

7 MISS NEIL: Dr. Jeanneret, not
8 that I am aware of. Certainly, in our own experience,
9 we have not this policy and as far as I am concerned,
10 it is doubtful that we would pursue any policy
11 that went to authors outside the teaching profession,
12 at different levels, of course. We do try,
13 particularly when we are working on, for instance,
14 we have just published a series in the language
15 arts field and we did go for our Editor-in-Chief
16 to a College of Education, but beyond that, taking
17 into consideration people who have excellent back-
18 ground experience, training in a particular
19 subject area, we haven't gone outside the teaching
20 profession.

21 DR. JEANNERET: The reason I am
22 asking the question is, that in order to secure
23 more of the kinds of Canadian books, -- perhaps
24 we are talking about geography or history or travel,
25 or whatever it might be -- to use a phrase that
26 was used yesterday, that will turn the people on,
27 and in view of the fact that they don't individually
28 serve as they used to serve as pretty much the
29 curriculum for the year and the syllabus
30 and the subject, would you not find more and more





1 reason to go outside the teaching profession
2 for your materials that you would expect to get
3 on Circular 14, to use a case in point?

4 MISS NEIL: Yes, I would agree with
5 that. I was thinking, when I answered previously,
6 about what we still consider to be basic text-
7 books, but I do think -- and I also think that
8 educational publishers are going to publish more
9 what we might call, resource books, or supplementary
10 books and certainly for authors of those it would,
11 in my opinion, be necessary to go outside the
12 educational profession.

13 DR. JEANNERET: Well, Mr. Chairman,
14 the only thing I want to add is an observation
15 that as always I remain free to change my mind
16 as we go along, but having regard to the amount of
17 Canadian publishing that this foreign subsidiary
18 has done and having regard for the fact that
19 there are a good many Canadian publishers who
20 do nothing but import books to all intents and
21 purposes and don't do any Canadian publishing
22 and are keeping such a low profile that they are not
23 even appearing before us, I think what is being
24 done here is most commendable.

25 THE CHAIRMAN: What Dr. Jeanneret
26 meant is that they haven't appeared before us yet.

27 DR. JEANNERET: No.

28 THE CHAIRMAN: We are becoming more
29 interested in their absence and their lack of
30 productivity than we have in the past.



1 I was very interested in the
2 discussion in connection with the question of a
3 board or some sort of body by way of an over-
4 view because with regard to the suggestion that
5 you put forward and almost all of the briefs have
6 put forward, there has been an implication, if
7 you will, that somehow there has to be some magic
8 group or body which brings the publishing industry
9 together, in essence. That is a reaction that
10 I am getting from all of this and if I interpret
11 what you have been saying correctly, you are
12 suggesting that some sort of over-view kind
13 of organization of this kind might be necessary.
14 Is that correct?

15 DR. GRAY: I think so, Mr. Chairman.
16 We have indicated great gaps and gaps that must
17 remain for a long time under present conditions
18 if publishing is purely a matter of the market-
19 place, the size of our market.

20 All kinds of books that are needed
21 cannot be done under economic conditions. More
22 of them will be done when things are very prosperous
23 and more of them will be done as population grows
24 but, at the present moment, our prospects are not
25 good.

26 THE CHAIRMAN: There are substantial
27 difficulties I see, in any event, in the creation
28 of an over-view body. I am not going to say --
29 what I say next will not be necessarily critical
30 of the body of which I speak but certain attempts

1 have been made to analogize with the Canadian
2 Radio-Television Commission, for example, or the
3 radio and television industry, but somewhere along
4 the way the analogy breaks down for the reason,
5 among other things, that a radio station is a local
6 undertaking, a television station is a local under-
7 taking. If Television stations become national they
8 become part of the network but the publishing
9 industry is truly nation-wide and if anything,
10 a CRTC type of body tends to get into so many areas
11 that it begins to over-regulate and the over-
12 kill becomes an enormous problem for the industry.

13 In the presence of that kind of
14 a situation, do you think there should be inherent
15 limitations in any kind of a body that might be
16 recommended? If so, where would the limitations
17 basically lie? Would it be in the area of
18 staying out of what could be construed as censorship?

19 DR. GRAY: I think the essence of
20 publishing is so much personal judgment and personal
21 flair whim, if you'll like, that none of us would welcome
22 the idea of a body that second-guessed editorial
23 judgment and it is not easy to see how money is to
24 be given away without the control that comes close
25 to these things.

26 I think I suggested in the brief that
27 it could only be done on the basis of a performance.
28 I think a certain amount of granting has been done
29 by the Canada Council to one or two of the smaller
30 houses for a sum of money for a number of books, rather

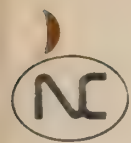


1 than an examination of individual books. I
2 think the problem is not insoluble. I think it
3 is very difficult.

4 THE CHAIRMAN: But you think it is
5 a problem that must be met.

6 DR. GRAY: I think it must be, yes.

7 THE CHAIRMAN: In not only what
8 you said just a moment ago but in the comment
9 that you made that there was not enough attention
10 given to books being written, while the attention
11 we have is absolutely enormous in the country
12 we are not drawing it out, I think we have been
13 struck with this as we move along and we have
14 noticed, too, that, for example, the grants of
15 the Canada Council with relation to writing are
16 at the very bottom of the scale. It has also
17 been drawn to our attention that the Province of
18 Ontario Council for the Arts has in essence
19 ignored the situation and I might say to you,
20 just in comment, that what we have decided to do
21 is to see whether we can create a little initiative.
22 We hope to do this from time to time and so we
23 have opened a request with the Ontario Council of
24 the Arts to meet with them to see whether some
25 initiative can be taken in the area of competition
26 or assisting authors and publishers to become
27 much more active and I hope that we will be able
28 to meet with them very soon to examine this matter
29 and perhaps to excite their interest in this very
30 demanding field.



1 DR. GRAY: Mr. Chairman, I don't
2 think any of us believe that money alone will
3 produce a national interest but it comes out of
4 a whole climate and even the most erudite
5 critics would be hard put to say what produces that
6 climate but the fact is there is very little
7 financial incentive at the present time for writing
8 books.

9 Something was said at one of the
10 recent hearings about the possibility of providing
11 big money prizes for writers of children's books.
12 We badly need children's books but when the
13 Centennial Commission put up money up for children's
14 book prizes the results were very disappointing.
15 I think it was partly the limitations of time.

16 THE CHAIRMAN: In what way?

17 DR. GRAY: Well, I think we were
18 offered four of the prize winners. In the end,
19 after a lot of editorial work, we published two
20 of them.

21 MR. CAMP: The qualitative results
22 were not so good?

23 DR. GRAY: That is right and even
24 these were less than great books.

25 THE CHAIRMAN: Was the judging done
26 on the basis of authorship without the infusion
27 of the judgement of publishers before decisions
28 were made?

29 DR. GRAY: Yes, it was judged by a
30 committee set up by the Centennial Commission.

THE CHAIRMAN: I notice on page 26
one of your underlined recommendations. First,
in discussing the question of subsidy,

" First, the objective should be to reduce
the risk to a level at which the
discipline of the marketplace still operates.
In other words the publisher should lose
his own money as well as the government's
if he publishes a bad book."

When you, or the author of this, used the words,
"as well as the government's" it got a reaction
which I merely want to comment on and that is
that there is an enormous tendency in our society
to regard money which the government collects as
taxes as the government's money, whereas, in
point of fact, it is the money of the people who
pay it -- and today is the day of payment.

1 DR. GRAY: That is the bitter
2 truth.

3 MR. KANE: To come back to
4 your question of a minute ago, the solution
5 to this problem of the regulatory body has
6 just occurred to me. I don't know if you have the
7 strength to hear this or not, but it seems to me --

8 THE CHAIRMAN: We have the
9 strength to hear it and I hope you have the
10 strength to say it. This is one of the
11 solutions that might be.

12 MR. KANE: It seems to me
13 the present Royal Commission on Book Publishing
14 should be constituted on a permanent basis
15 and the problem would be solved (laughter).

16 THE CHAIRMAN: I am glad I
17 added what I did before you said it. You
18 are most kind but I don't know that our
19 judgment would be very valuable on this point.

20 Now, another thing which you
21 said in very close proximity is of interest
22 to me too because of what you said on page
23 27:

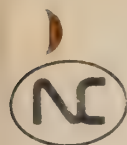
24 "Equally, we agree with
25 the view that a system of
26 loans or investment that
27 does not compromise editorial
28 freedom must somehow be devised.
29 This is not a plea for a general
30 subsidization of publishing,



1 nor do we believe that
2 any government can loan or
3 invest large sums for which
4 there is not some accounting.
5 Criteria can be established
6 for measuring a house's
7 past performance and future
8 proposals, and some board of
9 review can act as watchdog without
10 behaving like a censor."

11 I think that if anyone had given us the terms
12 of reference against which we would cast our
13 first interim report, we used those standards.
14 I just want to say to you, I thought they were
15 quite appropriate and I quite agree with that.

16 I was concerned, Mr. Kane, at
17 one point in your discussion with Mr. Camp,
18 that you might have generalized to some extent
19 while using MacMillan's first-class example
20 as an example that applies to the whole of the
21 foreign-controlled publishing sector. I think,
22 you took the position of running to mother,
23 that really this was, you said, something like
24 sheer nonsense that a company or firm did that.
25 I daresay that your firm does not do that and
26 that is the point you made: your firm does
27 not run to mother, except that you have
28 had an advance against the construction of
29 a building. There is always a tendency to
30 generalize and in the presence of a fairly



1 substantial amount of evidence that we have
2 heard and seen, there are infusions of capital
3 abroad in the industry at large and availability
4 of capital from parent corporations. You say,
5 your remark was a particular one in relation
6 to your firm, or do you still want to say it
7 is a general kind of situation? We would
8 like your comments on this.

9 MR. KANE: Mr. Chairman, I think
10 perhaps I am more guilty of the thing of
11 generalization than most people. It is a
12 popular generalization, yes. I don't really
13 think, to be honest, that the MacMillan Company
14 of Canada is, in fact, completely typical of
15 the foreign-owned subsidiaries.

16 THE CHAIRMAN: Yes.

17 DR. GRAY: This argument gets --
18 takes on twists, Mr. Commissioner. The present
19 temper of the country, it is a bad thing
20 if you get outside help, but if you don't
21 get outside help, then the cry goes up "We are
22 using our money", so that what is a respectable
23 posture in this?

24 THE CHAIRMAN: That is one of
25 the very nice questions you and your people
26 have been kind enough to give to us.

27 MR. CAMP: Nevertheless, I
28 think the point is not you, not to particularize,
29 but you have a mother to run to, whether or not
30 you do. One of our problems is what to do with



1 the orphans. When you get down to your
2 recommendation on page 28, which the Chairman
3 has just reviewed with you, you do suggest
4 that there be a policy of low-interest, long-term
5 loans. You say:

6 "Criteria can be established
7 for measuring a house's past
8 performance and future proposals,
9 and some board of review can
10 act as watchdog . . ."

11 I want to ask you is, in implementing such
12 a policy, this being all hypothetical, it
13 would be sensible to lend money on the basis
14 of the number of Canadian titles, if this
15 were to apply to the entire industry, to
16 take that into consideration?

17 DR. GRAY: Well, I could see
18 that this might not help the new houses that
19 much. This could be a long and complicated
20 discussion, I think, but ---

21 MR. CAMP: It won't be the first
22 one.

23 DR. GRAY: No. Probably the
24 sort of loan that I spoke of before, the loan
25 against a program based on performance that made
26 the program seem worth support and not
27 necessarily measured in terms of the number of
28 houses -- the number of books this particular
29 house published. If, in fact, it was a small
30 house trying to make it, there might be justification



1 for enlarging the grant. I am arguing against
2 myself in this.

3 MR. KANE: I think, Mr. Camp,
4 such a suggestion is ignoring quality and
5 considering only quantity. I think both these
6 things must be considered.

7 DR. JEANNERET: I think the
8 established point of the Chairman is that there
9 was a reservoir of potential authorship in
10 this country that had not been drawn upon
11 and we have also, I think, decided the point
12 that it is, as a matter of fact, the editorial
13 judgment is not to be interfered with and
14 that it is both profit-oriented and culturally
15 oriented. No one would want to have any
16 board sit in judgment on that aspect of it.
17 But, you see, as you follow your argument past
18 your recommendations, you get down to the
19 business of obtaining good and needed books
20 that can't make money and must be published
21 and you conclude by saying it is "the argument
22 for Canadian content". I think it would be
23 logical, then, to assume, if you are going
24 to develop such a policy as you propose of
25 government loans to the publishing industry,
26 that it would be in that interest that it
27 be related to its Canadian productivity or
28 Canadian content. Would you agree with that?

29 DR. GRAY: Yes, I think I mis-
30 understood your question a bit. I am not sure



1 about the need for books, and I am not sure
2 about the reservoir of talent. While it is
3 true that we are all saying no a little more
4 readily than we said it before, there are
5 all kinds of books that publishers are looking
6 for, trying to commission, but we don't succeed
7 in finding the right author.

8 DR. JEANNERET: But you want
9 to encourage them to do this looking and do
10 this commissioning and the present marketplace
11 deters them.

12 DR. GRAY: Right.

13 THE CHAIRMAN: You see, really,
14 isn't it true -- I don't know if it is true
15 or not -- but when you get right down to it,
16 it is the business of taking ideas from a man's
17 or woman's mind and then translating them
18 into a book form and then disseminating them,
19 whatever the content is. This is clearly,
20 unless you have this productivity which is
21 Canadian, if this is the kind of thing we
22 are targetting for, it is the business of getting
23 the authors to author. If you don't have that,
24 nothing else follows. That is the pinnacle
25 upon which the pyramid, which is created by the
26 pyramid. If there can be some much greater
27 thrust created in this country, in this particular
28 context, it seems very likely the tie-in of
29 loans or advances can be made, if it is going
30 to be made at all, conditional in some way,



1 shape or form, on publishers being virtually
2 obliged to do well as part of their presence
3 in the economy, in the nation's fabric, to
4 participate in this extractive process to
5 make it a little easier for authors to author.
6 These are the conditions that very likely we
7 would have.

8 DR. GRAY: A responsive
9 publishing trade and a better economic base.
10 The fact is, most of our books in the country
11 at this moment are written by academics
12 as part of their professional career, or written
13 by housewives. There are very few people
14 who otherwise can get books written except at
15 night.

16 THE CHAIRMAN: They can't afford
17 it.

18 DR. GRAY: There is a quotation
19 from E.K. Brown, formerly of the University
20 of Toronto:

21 "The notion that the whole of
22 literature can go on the
23 happy occupation at odd moments
24 of busy people shows
25 an alarming ignorance of the
26 process by which great books
27 come to be written."

28 DR. JEANNERET: Hear, hear!

29 MR. CAMP: I thank you very
30 much. I found the brief and the conversation



most enlightening.

THE CHAIRMAN: We do very much appreciate all the time you have given, and, as Mr. Camp says, this has been enormously useful. We may be in touch again.

DR. GRAY: Thank you.

SUBMISSION OF THE LAKE ERIE REGIONAL LIBRARY SYSTEM

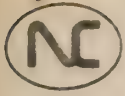
THE CHAIRMAN: We have with us now, representatives of the Lake Erie Regional Library System. We have Mr. Kent, the Director, and Mr. Melvin, Assistant Director and Secretary-Treasurer.

Gentlemen, we have read your brief and we appreciate it.

MR. KENT: Thank you, Mr. Chairman, gentlemen.

I would like to make a few preliminary remarks and then I would ask Mr. Melvin to expound somewhat on our brief and he would be prepared, as I will, to answer any questions.

I think one of the reasons that we are here is that we feel that publishing and libraries have very much in common, because both to a large extent are involved in personal, informal education, so therefore, we are much concerned, not only with publishing as the



1 supplier of our materials, but also with
2 publishing itself. Both must be supported.
3 Book publishing, at least in Canada, is not
4 like any other business. I think you have
5 probably found this out. It even is not like
6 a normal, free-enterprise activity. It may
7 be in other countries of the world but,
8 certainly in my opinion, it is not in Canada.
9 Canadian business, as you probably know, is
10 either capitalism or communism, not black
11 and white. It is something in between, maybe
12 grey -- I don't mean John Gray, either.

13 Maybe publishing, to a considerable
14 degree in Canada, should be in the hands of
15 university presses, and organizations such as
16 the Canadian Library Association, because it seems
17 as if there is going to be a sound and valid
18 publishing operation in Canada, there needs
19 to be subsidies of some kind and there needs
20 to be some kind of backlog of material that
21 may be available for a great number of years
22 such as Bibles, you know, some of the works
23 of Miss Montgomery.



1 There have to be materials that will provide a
2 springboard of financing for new types and maybe
3 this can be in turn the saving grace of the
4 publishing business.

5 Now, Mr. Chairman, these are the
6 very few brief remarks and I would ask Mr. Melvin
7 at this time, with your permission, to elaborate
8 a little on our report or brief.

9 MR. MELVIN: Thank you.

10 Gentlemen, there are those who will
11 and those who have, criticized our brief as being
12 too nationalistic in tone.

13 THE CHAIRMAN: Have you had some
14 criticism of this brief already?

15 MR. MELVIN: There have been some
16 remarks passed by members of the other library
17 boards in the Lake Erie region that there was
18 perhaps too much of an emphasis on nationalism.

19 THE CHAIRMAN: Do you know if they
20 are going to submit a brief to us or are they just
21 going to sit back and criticize yours?

22 MR. MELVIN: So far some have
23 supported our brief, others, as you suggest, are
24 just sitting back and criticizing us.

25 THE CHAIRMAN: That is a good
26 Canadian custom.

27 MR. MELVIN: Our point is, that
28 if Canada is to remain a nationalistic state, then
29 nationalism is the only posture the citizens can
30 take. There are those who will and those who have



1 criticized the recommendations we make as being
2 both impracticable and unforceable and we accept
3 this charge because our purpose and intent was
4 not to put forward principles for the organization,
5 or, rather, not to put forward a mechanization for
6 the organization of the publishing industry in
7 Canada but merely to present some guidelines,
8 some principles and ideas that would act as guide-
9 lines in directing thought towards support for
10 the industry.

11 One of the major points we made
12 was the complaints of librarians with the business
13 practices of publishing houses in Canada;
14 and this was more than adequately covered by
15 Mr. B.D. Sandwell of Burns & MacEachern and
16 I was personally gratified to see that there
17 was a publisher who had the candor to criticize
18 his own business. The points that he made and
19 the points that we make bear repetition but since
20 he has done such a good job, in my opinion,
21 in pointing out how librarians feel about
22 publishers, I will not deal with it.

23 I was interested, and I am interested,
24 to see that one of the points we make for support
25 of publishing, the long-term interest free loans,
26 has been the common theme of a great many briefs
27 that have been presented before you, at least
28 as far as the media have reported.

29 However, our real concern regards
30 the intrusion into the Canadian book selling



1 market of foreign-based, foreign-controlled
2 wholesalers. It is the policy of the Board of
3 the Lake Erie Library System to buy Canadian.
4 This presents a dilemma to people like ourselves
5 who are spending taxpayers' money. On the one
6 hand we have the charge to spend the tax dollar
7 in the most economical manner to get the best value
8 for it.

9 On the other hand, there is the
10 argument that the tax dollar should be spent
11 in the country in which it is raised, it should
12 not be sent abroad to the coffers of a foreign
13 state and the dilemma is that if the difference
14 between buying in Canada is 1 or 2 per cent, we
15 can accept this as a price of buying Canadian
16 but if it rises to 7 or 8 per cent there is a
17 very strong economic argument here that one
18 should then take advantage of foreign wholesalers
19 who are buying all of their books abroad and
20 shipping them into Canada and depriving Canadian
21 publishers and Canadian agents of business,
22 and perhaps we are seeking a desperate
23 solution to our dilemma looking for some outside
24 agency to come in and provide the answer and say
25 we must or must not do something and that will
26 solve our problem for us.

27 DR. JEANNERET: Which is the biggest
28 problem, service or price?

29 MR. MELVIN: Price. We have done
30 some comparisons and this is general -- the service



1 from the Canadian industry equals the service we
2 can get from foreign jobbers, I say
3 "generally", because the pattern of service in the
4 Canadian industry varies widely.

5 DR. JEANNERET: I note for the
6 record you are speaking from the public library
7 standpoint and this might not apply in some
8 specialist areas or it might apply?

9 MR. MELVIN: We are speaking strictly
10 from the point of view of a large public library
11 system.

12 MR. CAMP: I don't want to interrupt
13 but on the other hand I want to follow you.
14 Are you saying -- we are talking about apples and
15 oranges here -- you are saying that from the point
16 of view of expending public funds to buy books
17 that Canadian books are more expensive than American
18 books or that you can buy Canadian books from
19 American jobbers, for example, or agents, more
20 cheaply than you can buy them from Canadians?
21 What was the point you were just making?

22 MR. MELVIN: Not Canadian books
23 specifically but there is --

24 MR. CAMP: You said you could buy
25 Canadian,

26 MR. MELVIN: When I said "buy
27 Canadian" I was talking of the policy as much
28 as possible to place our business with the Canadian
29 vendor, the type of book on which you get the
30 price differential, I say books published in the



1 United States which you can either obtain through
2 an agent in Canada or directly from the jobber.

3 We do not, however, want to appear
4 that by criticizing the activities of foreign
5 jobbers and the activities of those libraries which
6 buy around that we are advocating the cutting off
7 of the free exchange of information. We
8 recognize the point of view that has been expressed
9 by the university libraries and it is a point
10 of view that applies to ourselves as well that
11 any library must be free to be able to bring into
12 Canada material published anywhere in the world
13 and I do not want it thought that we are saying,
14 "You must be limited to buying in Canada" because
15 this is impossible.

16 There are books published in
17 foreign languages which are simply not represented
18 here, there are small English publications;
19 that are not represented in Canada. You have
20 to be able to bring these in and libraries should be
21 in a position where they can bring these in free.
22 We would not like to see a situation arise where
23 in an attempt to increase the Canadian share of the
24 book selling market in Canada that a situation
25 would arise where, say you had to buy from a
26 Canadian agent and thus encourage the bad business
27 practices that do exist with some of these firms
28 in Canada, who are really nothing but importers,
29 who have got the bad habit of listing far too many
30 principals on their letterhead and they just simply





1 do not stock any more. We are continually being
2 frustrated by pricing and order through them because
3 they are the Canadian agent, and then subsequently
4 find that they have to turn around and place
5 the order in the United States because they do
6 not carry a sufficient line of goods here in this
7 country.

8 There is one phrase I used in the
9 brief which is perhaps too pretentious. I spoke
10 about truly indigenous Canadian publishing houses.
11 We were attempting here to delineate between the
12 types of businesses which do operate within the
13 publishing field in Canada and to show a sort of
14 descending order of emphasis in terms of our concern
15 from the houses which publish books, actually
16 publish books and are situated in Canada and are
17 owned by Canadians to the firms which are Canadian
18 but are just importers to those houses which are
19 foreign-controlled, but who have made a great
20 contribution to Canadian literature and culture,
21 such as our predecessors this morning, The MacMillan
22 Company.

23 DR. JEANNERET: Would you enlarge
24 on that? That was one of my questions so we will
25 get rid of it. Where did you put MacMillan's?
26 They are not indigenous.

27 MR. MELVIN: No, they are not,
28 I recognize that.

29 DR. JEANNERET: You discriminate
30 against them for this reason?





1 MR. MELVIN: The point we are trying
2 to make is not discrimination against MacMillan --
3 and I may be wrong in my conception as to what kind
4 of financial aid MacMillan gets from head office
5 abroad -- but any support should first be given
6 to those houses which are owned and operated
7 by Canadians in Canada and then after they have
8 been adequately dealt with, then secondly those
9 houses which really do Canadian publishing, but
10 do have foreign control.

11 DR. JEANNERET: Whether or not the
12 Canadian house does much publishing?

13 MR. MELVIN: There is also the
14 reference here between those houses which do
15 do publishing and then those other people which I
16 really don't think are publishers, they are really
17 just importers. We are more interested in the
18 houses that are really publishing houses, such
19 as --

20 DR. JEANNERET: I think we all are,
21 we understand.

22 MR. MELVIN: Is there anything now,
23 gentlemen, that you wish to come at me with?

24 DR. JEANNERET: I have just one
25 question left, really, and that is -- it is a
26 little off the point but can you conceive of any
27 circumstances at all under which the librarians
28 in smaller centres which are not served now by
29 book sellers at all could conceivably on a
30 temporary basis provide the public service of





1 furnishing some degree of retailing service to the
2 public? Do you see any merit in this?

3 MR. KENT: This has been brought
4 up on a number of occasions and I think there is
5 a great deal of merit in it. There is no question
6 about it, that if a small library had only a few
7 shelves I think this is a sound idea. I don't
8 think this is off the track: I would like to
9 mention that one of the major needs in Ontario is
10 the strengthening of the regional library system.
11 There are 14 regions and if these were strong and,
12 in fact, if we went so far as to just have 14
13 public library boards in Ontario, then these
14 organizations would be able to do this sort of thing
15 in smaller towns.

16 Now, when I say 14 library boards
17 I don't mean 14 library outlets. The outlets would
18 increase but the administrative tribunals would
19 decrease and that kind of an organization, I think,
20 in a small town with 1,000 people, where there is
21 a little library, then the region would be in a
22 better position than the small town board is now
23 to supply books for retail.

24 DR. JEANNERET: If it were possible
25 to work this out -- and I am not at all sure that
26 it is -- obviously you could not stay in retailing
27 if the enterprise offered a good service at a
28 small centre this would probably be a misuse of
29 these funds but in the meantime a real public
30 service conceivably could be worked out but it might





1 change your purchasing patterns because if you
2 started purchasing books as a retailer you would
3 start to get interested in purchasing them
4 directly as a librarian as well on the same
5 terms, and so on.

6 MR. KENT: You would have two
7 operations, you would have the retail operation
8 and a public service operation and you would
9 probably be buying for both purposes. There might
10 be an overlap, of course, but it could be that
11 there might be certain merit in buying for retail.

12 DR. JEANNERET: But you do see
13 something in it?

14 MR. KENT: Yes.

15 DR. JEANNERET: That would be worth
16 considering?

17 MR. KENT: Public library
18 financing is so desperate now that any means to
19 obtain revenue I think would be good. In fact,
20 I think it might have some merit if licensing --
21 that problem that is being discussed now -- might
22 be turned over to the 14 regional boards instead
23 of individuals handling it.



1 THE CHAIRMAN: I am sure the
2 problem could be turned over to them when
3 you are talking about the revenue.

4 MR. KENT: That is what we are
5 after.

6 THE CHAIRMAN: Thank you.

7 MR. KENT: I was hoping, Mr.
8 Chairman, there might be some discussion about
9 the points that were raised here. They are
10 contentious, I think to a certain extent. How
11 do you police some of these things?

12 THE CHAIRMAN: Sure, we could
13 have some discussion about them. How do you
14 police these? It is only one part of an
15 overall package that we realize exists and it
16 is a question that is inherent in any suggestion
17 that a government take a regulatory position,
18 that is fundamental. If you want to talk
19 about this principle then you start to get
20 into detail about how you enforce it. That is
21 one of the essential problems in any discussion
22 of government intervention or involvement.

23 MR. CAMP: It intrigues me
24 about your documented litany of complaint.
25 You have said there are as many complaints
26 against the librarians, one of the basic ones
27 being the one that you raised, the predilection
28 librarians have for buying outside the country.
29 Did I gather that you said, in terms of
30 service, as between Canadian and other suppliers,





1 there is not much difference?

2 MR.MELVIN: Generally speaking,
3 and I stress the word "generally" because --
4 I repeat what I said to Dr. Jeanneret -- the
5 quality of service within the Canadian industry
6 varies widely. There are those, both true
7 publishing houses and importers, which give
8 excellent service and the turn-around between
9 date of order and date of receipt would be
10 one week, and there are others which went
11 up to 40 days and the paperwork is impossible.

12 MR. CAMP: What about cataloguing?

13 MR. MELVIN: I am pedantic
14 on this. I think the library could do a
15 far better job of cataloguing books than
16 it can buying cataloguing from a commercial
17 centre.

18 DR. JEANNERET: That is an
19 interesting observation.

20 MR. MELVIN: I think the best
21 cataloguing that can be available to public
22 libraries is the catalogue that is done by
23 a large, regionally centralized processing.
24 I am biased because we have one and I think
25 this is the best service that can be given,
26 rather than a commercial job.

27 MR. CAMP: I would like to get
28 clear in my mind, are you saying here that you
29 now make a deliberate effort to give preference
30 to Canadian publisher-agents and jobbers?





1 MR. MELVIN: That is correct.

2 MR. CAMP: Do you do that as
3 a matter of policy?

4 MR. MELVIN: Yes.

5 MR. CAMP: And you recommend
6 it to others?

7 MR. MELVIN: Yes, though the
8 point has to be recognized that if the
9 overall purchase cost, you know, began to reach
10 a point where you really are, you know, losing
11 money, then you really begin to have second
12 thoughts about what you are doing, you know,
13 about where you are getting this money.

14 MR. CAMP: We heard the other
15 day it was a matter of one or two cents and
16 apparently -- do you have a better example --
17 do you have a concrete example as to the
18 differential there might be?

19 MR. MELVIN: We did supply to
20 you earlier, and I think you would probably
21 have in your files ---

22 MR. KENT: Confidential files.

23 MR. MELVIN: . . . a very
24 brief preliminary survey we did between one
25 of the major foreign jobbers and the Canadian
26 publishers and agents with whom we are dealing
27 on a split order over a period of time.

28 MR. KENT: I think there are
29 two things ---

30 MR. CAMP: Why should it be



1 confidential?

2 MR. KENT: This is what Mr.
3 Melvin based his statement as to service upon,
4 because there are two sides to the question
5 but from a financial point of view there is
6 no question about it, that it is far more
7 expensive to order books in Canada and we
8 actually have the figures, but it is a very,
9 very small base to make any definitive report.
10 I think we have to do this for 5000 or 10,000
11 volumes -- not just 500. The indication
12 was the projection on which money could be
13 saved, if we bought everything in the States,
14 and Mr. Melvin mentioned earlier about the
15 taxpayer.

16 DR. JEANNERET: Any savings
17 of importance has got to be taken into consideration
18 but how does the saving you are talking about
19 compare with the actual cost of accessioning
20 of books?

21 MR. MELVIN: Once the book has
22 been received, you know, in the order department,
23 regardless of its source of publication, its
24 processing costs are the same in order to put
25 it on the shelf.

26 DR. JEANNERET: But you don't
27 use, for instance, the argument that it doesn't
28 cost anything once a librarian has got it there?

29 MR. MELVIN: That is ridiculous.

30 DR. JEANNERET: But it is a



1 substantial part of the cost, merely the
2 accessioning.

3 MR. KENT: If you have to
4 subsidize the Canadian publisher by paying
5 extra, then your costs are higher in the end.

6 DR. JEANNERET: I am not
7 advocating that.

8 MR. KENT: But sentimentally
9 and nationally, you know, we feel the Canadian
10 publisher and not the book agent, represents
11 what actually is published. Canadian
12 content in books should be subsidized and
13 should supported just as much as we possibly
14 can.

15 THE CHAIRMAN: How about the
16 fellow who writes the books, how about the
17 author, should he be subsidized, or what?

18 MR. KENT: He is, of course, in the
19 subsidized books.

20 THE CHAIRMAN: Is he?
21 We are talking about the business of subsidizing
22 publishers. Do you expect that through the
23 process of sentimentality or whatever, that the
24 publisher then is going to subsidize, in turn,
25 the author, or do you think that we should be
26 looking at the question of subsidizing both
27 of them?

28 MR. MELVIN: I am going to have
29 to reply outside of the brief, and I will
30 reply as a private individual.





1 THE CHAIRMAN: Put that hat on
2 and go ahead.

3 MR. MELVIN: And personally,
4 as a librarian, I am in sympathy with the point
5 of view which is put forward by the system in
6 Great Britain and Scandinavia, that there should
7 be some scheme devised, form of remuneration
8 for authors based on the circulation of books
9 in a library and, further, I am firmly convinced
10 that some method has to be worked out of
11 remuneration for authors on the basis of the
12 vast extent of copying that is done in institutional
13 libraries.

14 DR. JEANNERET: The one covers
15 the other, doesn't it?

16 MR. MELVIN: Actually there are
17 two things -- you could say one covers the
18 other. I see it as two things: the circulation
19 of the actual book off the shelf is one thing
20 and, you know, the overuse of Xerox machines
21 and some other things, is something else again.

22 THE CHAIRMAN: Maybe we should --
23 you can only go so far -- maybe you should put
24 that on the Xerox machine for so much a day
25 like on cars.

26 MR. KENT: I think the principle
27 is pretty good, but again, work out the details.

28 THE CHAIRMAN:- Thank you. I
29 take it that your position would be that, in
30 terms of enforcement, as you put it, of any



1 regulations or legislation that might result
2 that you would accept, or be prepared to accept
3 the creation of some body, an organization or
4 a board or something of this type that would
5 have the authority to administer regulations
6 that might be made. I take it this is inherent
7 in what you said?

8 MR. MELVIN: Yes.

9 THE CHAIRMAN: And the librarians,
10 notwithstanding their desire for independence,
11 would be a part of this overall complex.

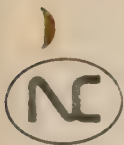
12 MR. MELVIN: I feel they would
13 have to be.

14 MR. KENT: It might well be
15 finally, if somebody had a book and wanted to
16 publish it, they might submit it to
17 some kind of group like that and the group
18 would recommend it to X publisher or Z publisher
19 and he might even recommend it to the Queen's
20 Printer. I can't see any reason why the
21 Queen's Printer doesn't print novels or poetry.
22 Why should they print, you know, travel books,
23 et cetera?

24 THE CHAIRMAN: I suppose, why
25 should the Queen's Printer print many of the
26 things he does? This is the next question.

27 MR. KENT: This is the next
28 question.

29 THE CHAIRMAN: Really, I want
30 to raise one question with you that occurred to



1 me. You are making the fundamental assumption
2 that everything we have done so far here we
3 have assumed that there is a right to publish,
4 that is to say, that everyone in this country,
5 without exception, from outside or who is here
6 now, that everyone in Canada has the right to
7 publish and it strikes me that what you are
8 saying and many people have been saying is
9 that the right to publish ought to be examined
10 or constrained in some way or another. I wonder
11 if there isn't a right to publish on the part
12 of anyone, whether it ---

13 MR. KENT: We feel like
14 Ecclesiastes that in the books there is no
15 end. There is just so many of them overlap
16 and they seem to be basically the same, taking
17 the problem from a slightly different angle,
18 but I think this would be a real problem to
19 control this.

20 MR. MELVIN: I don't think in
21 myself -- I wouldn't like to think that anyone
22 would think I was of the opinion I wanted to
23 constrain the right to publish. I feel that
24 any individual has the right to express his
25 point of view. There have to be, of course ---

26 THE CHAIRMAN: That is the
27 authors. We are talking about publishers.

28 MR. MELVIN: To extend this,
29 he has the right to endeavour to find someone,
30 you know, who will disseminate his point of



1 view and I think, therefore, to take it a step
2 further, there are individuals who have the right
3 to try to make, you know, a living of
4 disseminating someone's point of view. You can
5 always do what one Canadian author did and
6 publish a book himself when no publisher
7 would handle it and he made money on it. I think
8 you do have the right to publish.

9 THE CHAIRMAN: What you are
10 saying is the right to publish is a universal
11 thing?

12 MR. MELVIN: I believe so.

13 THE CHAIRMAN: You think it
14 might be subject to conditions; in other
15 words, if you were going to be a publisher,
16 you would have the right to publish, but
17 conditional for example, on the requirement
18 that you be required to publish a certain
19 percentage of your work by Canadian authors,
20 rather than publishing authors from elsewhere
21 in the world? Do you think this might be
22 part of the right to publish?

23 MR. MELVIN: I think that
24 this is valid in that you can have something
25 qualitatively that is worthwhile publishing,
26 but in terms of the economics of the market,
27 the sale would be too low for it to be
28 feasible to publish it?

29 THE CHAIRMAN: Let me ask you
30 this, because I am trying to get information here:



1 The problem we are beginning to see more and
2 more is that there are certain people in the
3 publishing, who are publishers in this country,
4 who are here from other places in the world
5 which concerns you and they are here in Canada
6 as well, domiciled in Canada, but in point of
7 fact, while they are publishing and while they
8 are gaining revenues, they are confining themselves
9 to square one which is contributing either
10 nothing or very little and they are making
11 good revenues out of this, but as part of, let
12 us call it an obligation, they are not
13 fulfilling the other part of the obligation,
14 if there is one, which says you must also,
15 in doing this piece of business, go out and get
16 into other areas of publishing.



1 This is the sort of thing we are beginning to get
2 more aware of. Is there, do you think, an
3 obligation on publishers to get into these areas --
4 and let us talk about novels and things of this
5 kind which most people steer away from as it is
6 just too risky, but they are quite happy to do
7 this elsewhere.

8 MR. MELVIN: Yes, I do, because I
9 agree with the principle behind the creation of
10 the CRTC.

11 THE CHAIRMAN: Which is?

12 MR. MELVIN: That you cannot
13 establish a television network and gain your
14 revenue solely by buying programs purchased
15 abroad and showing them in Canada, that there
16 should be a degree of Canadian content in
17 prime time.

18 There would probably be a lot of
19 people in the broadcasting industry who would not
20 agree with that but I am glad to see it.

21 THE CHAIRMAN: You mean an extension
22 of that CRTC principle?

23 MR. MELVIN: Yes, an extension
24 of the principle to foreign publishers sitting
25 here in Canada who are doing nothing but importing
26 the product.

27 MR. KENT: When there is a subsidy
28 involved sometimes this happens.

29 THE CHAIRMAN: But also it leads
30 to licensing too, doesn't it?



1 MR. KENT: Yes.

2 THE CHAIRMAN: Because the licence
3 says, "We will give you the licence to publish,
4 we will give you the right to publish, provided
5 that you meet certain conditions", and we go
6 around in a circle on this.

7 MR. KENT: I think that is very
8 tricky and somewhat dangerous because there
9 may be something that should be published and
10 doesn't get a licence and suddenly finds in ten
11 years' time it should have been published. The
12 book perhaps was inflationary at the time, but
13 later on it turns out it wasn't or it may have been
14 an avant garde . type of writing that was not
15 acceptable.

16 THE CHAIRMAN: But the CRTC doesn't
17 say what the content is going to be?

18 MR. MELVIN: No, I would never
19 see licensing of producers.

20 MR. CAMP: Well, you are licensing
21 nationality, aren't you?

22 MR. KENT: Yes.

23 MR. CAMP: Dealing with your
24 recommendation No. 9, you say, "any and all books".
25 Well, that means that you exclude from that
26 special materials and so on. Do you say you want
27 to put a customs duty on any and all books imported
28 into Canada?

29 MR. KENT: This would push up the
30 cost for us, of course. We pay it now anyway.



1 MR. CAMP: Well, push up the cost
2 for the consumer.

3 MR. KENT: Yes, it is there now.

4 DR. JEANNERET: You say you pay it
5 now?

6 MR. KENT: Yes.

7 DR. JEANNERET: What do you pay?

8 MR. KENT: Don't we pay duty?

9 DR. JEANNERET: They are subject to
10 rebate if you do.

11 MR. MELVIN: There is a difference
12 here, in that if we import the books ourselves
13 we pay customs duty and if we buy them through an
14 agent one assumes that he has the rebate to which
15 he is entitled for having sold books to a library.

16 MR. CAMP: Wouldn't you recognize,
17 though, the needs of certain kinds of institutions,
18 certain kinds of -- well, universities, for example,
19 research houses to really acquire material and
20 books, that it would, I think, be imprudent
21 to carry an inventory or any stock of a Canadian
22 agent and furthermore it would vastly complicate
23 the accessibility -- I am talking about medical
24 texts and so on.

25 Surely you don't mean that to be
26 as absolute as you spelled it out?

27 MR. MELVIN: What I am thinking of
28 specifically in No. 9 there is not the -- say
29 an institutional library going out into a foreign
30 country and saying to a firm, "Act as our agent,





1 gather together for us those things which are
2 published in this country and then ship them
3 into Canada for us". What I am thinking of there
4 in No. 9 are these people who are based abroad
5 who come into Canada and say, "We will get for you
6 all of these books which are already available
7 in Canada because we are based in a country that has
8 a much larger population and therefore we can buy
9 in bulk from the principal and buy many more
10 copies from him and get a larger discount and
11 we can sell them to you cheaper", and then under-
12 cut the people who are endeavouring to operate
13 in Canada and in some cases there are firms who
14 try to do a balance between direct
15 publishing and importation.

16 MR. CAMP: I resist "any and all".
17 I dislike the language which creates all kinds
18 of business in court. It is an absolute thing,
19 I just wondered what you meant by it.

20 MR. MELVIN: Yes, I realize that
21 within those recommendations that there are
22 conflicts and there are a great deal of difficulties
23 raised in trying to think out the mechanics.

24 As I stated at the beginning we
25 were more interested in merely trying to put
26 some ideas forward to serve as a direction rather
27 than a mechanism.

28 THE CHAIRMAN: Well, to go back to
29 the beginning of your presentation. First, we
30 thank you very much for coming and for taking the



1 initiative to put together the brief and taking
2 the initiative to come and present your views,
3 and if you can carry any message back to your
4 critics, tell them to put their thoughts on the
5 line as well, because that is the stuff that progress
6 is made of. The critics who stand back,
7 there are nine people who stand around and criticize
8 the thing and one person will come in and do
9 something about it so we commend you and thank
10 you very much for your effort.

11 MR. KENT: Thank you very much,
12 Mr. Chairman, for listening to us. As you can
13 see we are very concerned about the whole matter
14 of publishing in Canada and I think I can say that
15 not only with books but with ~~with~~ media. I
16 don't know what the solution is but we have had
17 problems for a number of years and we hope you
18 will, in your wisdom, provide guidance and help
19 for the industry.

20 THE CHAIRMAN: Thank you.

21 MR. KENT: Thank you very much.

22

23

24 THE CHAIRMAN: We have with us
25 at this time a presentation which indicates that
26 it has been prepared by a group of students and
27 staff of the School of Library Science, University
28 of Toronto.

29 Those who are with us is Mr. John
30 Marshall, Professor Brian Land, Mrs. Pat Fleming,



1 Professor Cariou and Mr. Matthews. Have I
2 got the terminology reasonably correct?

3 MR. MARSHALL: Yes, correct.

4 THE CHAIRMAN: Will you discuss
5 with us the terms of the brief and we can discuss
6 the matter with you later?

7 MR. MARSHALL: Thank you very
8 much, Mr. Chairman.

9
10 SUBMISSION OF UNIVERSITY OF TORONTO
11 SCHOOL OF LIBRARY SCIENCE

12 MR. MARSHALL: I would say that
13 another colleague of ours is with us this
14 morning, Professor Katherine MacKenzie who has
15 a very great interest. This brief, as we have
16 made clear, while not an official brief and
17 cannot be for various reasons, certainly expresses
18 the very strong concern of everybody in this
19 school, in fact, the other professional staff
20 and students, for the issues in publishing and
21 particularly in Canadian publishing and although
22 not everyone may be committed to an agreement
23 in principle with the specific recommendations
24 in the brief I think that all would agree that in
25 principle the tenor of the brief --

26 THE CHAIRMAN: Sort of a consensus?

27 MR. MARSHALL: Yes, so we are present-
28 ing it in that context.

29 I think it might be a good idea just
30 to mention -- I have several other things that I





1 want to say briefly but perhaps I should mention
2 that this concern of the school expresses itself
3 in such a very tangible concrete way. First of
4 all there are a number of courses in the school
5 which are concerned in part, and in large part,
6 with publishing, including a basic course which
7 is one of the first year of our two-year program
8 for a Master's Degree. The course is entitled, The
9 Social Environment, and there are also a number
10 of courses concerned with literature and resources
11 and it is called, Resources and Other Media.

12 In such areas as the social sciences
13 and humanities there are courses, and these
14 courses are very much concerned with the publishing
15 business. We gave also a second year elective
16 course entirely devoted to Canadian publishing
17 which is called Contemporary Publishing and it is
18 run by a professor of the University of Toronto
19 who is also Editor of Canadian Dictionary of
20 Biography.

21 There are several other things.
22 Perhaps Professor Land would like to elaborate
23 on some of the other things we are doing or
24 attempting to do. We are attempting to bring
25 information regarding Canadian publishing and
26 also the problems of Canadian publishers to our
27 staff. One thing which we have done is to invite
28 representatives of the publishing industry to
29 speak at our series where all students are present.

30 Perhaps Professor Land, who is



1 director of the school, would say something at
2 this time.

3 PROFESSOR LAND: Well, we have
4 been having discussions on an informal level with
5 representatives of the Book Publishers' Council
6 to try to devise ways in which we could better
7 bring to the attention of future librarians
8 the problems of Canadian book publishing and
9 book selling.

10 I am sure you are aware that there
11 is a program of lectures carried on in the
12 division of university extension at Toronto.
13 These lectures are presented by experts in the
14 field of publishing, book selling, and so on.
15 We have made an offer to video-tape this series
16 for the use, not only of our own students,
17 but on a wider basis, we would hope. We are
18 very much concerned, of course, that our graduates
19 are aware of the particular problems that confront
20 the Canadian publishing industry because no matter
21 what their type of library employment at a later
22 date, we are very much concerned with these problems.
23 So, we hope in this way, that we can effect a
24 better liaison between the book publishing industry
25 and librarians. We have heard and been reading of
26 some of the presentations before this Commission
27 that would seem to put the Canadian publisher
28 and the Canadian librarians as adversaries and
29 we think that this is certainly unfortunate, that
30 we do have a common cause, that there are some



1 very real problems that must be faced and some
2 kind of compromise solution may be effected.

3 PROFESSOR MARSHALL: Thank you,
4 Professor Land.

5 Another indication of interest
6 on the part of the library school is the
7 fact that the Alberta School of Library Science meets
8 on Canadian publishing at the end of June of
9 this year and at least one of us hopes to be able
10 to attend at that time.

11 There are a number of things, a
12 few things, I would like to refer to briefly
13 in connection with the brief.

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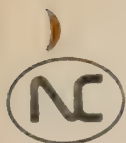
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1 One was a reference to changes
2 in publishing and the thing that I want to
3 emphasize here is in the international publishing
4 field the growth of what are called conglomerates,
5 that is, companies which are in a whole number
6 of production and marketing enterprises, one
7 which may be publishing and another may be
8 producing cameras or contraceptives or coin
9 laundries.

10 THE CHAIRMAN: I hope this
11 is not on the same production line!

12 PROFESSOR MARSHALL: We are
13 aware in the United States they have become
14 an also-ran, an after thought in publishing.
15 I think there is a very great danger that
16 books then become only a commodity so that
17 the traditional matters of publishing are really
18 in jeopardy and I mean the great tradition of
19 publishing. We are well aware of this and
20 I would like to emphasize that publishing has
21 traditionally been conducted by people who are at
22 least as interested in the quality of the
23 product as they were in the money to be made
24 from publishing it. They have been concerned
25 about quality and they have had certain other
26 concerns as in Canada where publishers who
27 publish that are Canadian owned are disseminating
28 Canadian culture. There is the danger that
29 this may be seriously threatened with extinction
30 as a result of the growth of the conglomerates,





1 along with multi-national corporations which
2 are sometimes involved with these conglomerates.
3 Another interesting aspect of this is that
4 some of that may be described as information
5 centres, in that there are people or concerns
6 concerned primarily in the media in a large
7 sense, for instance, people like Xerox, or
8 RCA, or some of these people which are engaged
9 in a whole number of media types of production
10 and marketing and publishing is hanging on
11 like a scab.

12 Our fear is that this may not
13 be as important to them or maybe regarded as
14 barely another commodity from which a buck
15 is being made and the traditional value is
16 being lost. I may say that in the United
17 States there is growing concern as these
18 conglomerates are beginning to take over
19 more Canadian branch plant operations. It is
20 an international concern. I think publishing
21 throughout the world and in the United States
22 is recognizing this fact.

23 The other reference that is
24 made in the brief is to changes in education
25 and what we are concerned about there primarily
26 is the fact that the old reliance of the
27 publisher on the authorization of textbooks
28 is no longer possible in the same way, that is,
29 for boards of education to decide on this matter,
30 and they are no longer recommending one textbook



1 and indeed are recommending several textbooks.
2 At the same time there is another trend which is
3 to allow local boards or jurisdictions
4 to put more control over their own choice of
5 curriculum and supporting materials for that
6 curriculum. This is a very decided trend.
7 We are only at the beginning of it but what
8 it adds up to, of course, is where publishers
9 used to rely on this source for a large portion
10 of their staple income and can no longer do so.
11 This, in turn, affects the possibility of
12 their using this source as a main subsidy
13 for the more "chancey" publications which is
14 primarily the Canadian articles they want
15 to produce, as Mr. Melvin mentioned, both types
16 of operation.

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18 THE CHAIRMAN: I suppose it
19 also means, in the end result the educational
20 system, the ability of each school board to
21 make its selection within or outside of Circular
22 14, each school would make selections and each
23 teacher. The way it is going, we are going to
24 wind up with children who are all over this
25 province, getting various kinds of education
26 within the same system.

27 PROFESSOR MARSHALL: I think this
28 is possible, and some of us see this as a
29 danger in itself. I do think that the core can
30 be maintained.





1 THE CHAIRMAN: How?

2 PROFESSOR MARSHALL: I think the
3 Canadian way is not to go entirely in the
4 direction of complete freedom in this sense.

5 THE CHAIRMAN: You just said
6 a minute ago this was just the beginning.

7 PROFESSOR MARSHALL: I am saying
8 it is the beginning but I don't know how far
9 it is going to go. We in Canada tend to swing
10 our position, but I mention it as a trend,
11 regardless of the distance it goes, because
12 it is going to affect the market of books.

13 THE CHAIRMAN: It already has.

14 PROFESSOR MARSHALL: Right.

15 Books and periodicals and other print material
16 and all the other media, TV and ETV and packaged
17 programs of teaching aids programs, and so on,
18 because of the economic problems created, I
19 would say are 95 per cent produced in the United
20 States and, although many of them are excellent
21 there are areas where they wish to have Canadian
22 orientation. I don't want to over-emphasize
23 this, but I do think what we desperately need
24 in this country is resources to produce some
25 media packages for ourselves with Canadian
26 orientation. That is perhaps related, but it
27 is not in the terms of reference of the Commission.
28 It is related because of the conglomerate
29 situation, as I said before.

30 With this combination of stress

Date	Description	Amount	Balance
1871	Jan 1	100.00	100.00
1872	Feb 1	50.00	50.00
1873	Mar 1	25.00	25.00
1874	Apr 1	12.50	12.50
1875	May 1	6.25	6.25
1876	Jun 1	3.12	3.12
1877	Jul 1	1.56	1.56
1878	Aug 1	0.78	0.78
1879	Sep 1	0.39	0.39
1880	Oct 1	0.19	0.19
1881	Nov 1	0.09	0.09
1882	Dec 1	0.04	0.04
1883	Jan 1	0.02	0.02
1884	Feb 1	0.01	0.01
1885	Mar 1	0.00	0.00
1886	Apr 1	0.00	0.00
1887	May 1	0.00	0.00
1888	Jun 1	0.00	0.00
1889	Jul 1	0.00	0.00
1890	Aug 1	0.00	0.00
1891	Sep 1	0.00	0.00
1892	Oct 1	0.00	0.00
1893	Nov 1	0.00	0.00
1894	Dec 1	0.00	0.00
1895	Jan 1	0.00	0.00
1896	Feb 1	0.00	0.00
1897	Mar 1	0.00	0.00
1898	Apr 1	0.00	0.00
1899	May 1	0.00	0.00
1900	Jun 1	0.00	0.00
1901	Jul 1	0.00	0.00
1902	Aug 1	0.00	0.00
1903	Sep 1	0.00	0.00
1904	Oct 1	0.00	0.00
1905	Nov 1	0.00	0.00
1906	Dec 1	0.00	0.00
1907	Jan 1	0.00	0.00
1908	Feb 1	0.00	0.00
1909	Mar 1	0.00	0.00
1910	Apr 1	0.00	0.00
1911	May 1	0.00	0.00



1 and strain in publishing, I think it underlines
2 the importance of the newer, smaller publishing
3 concerns which have been emerging and certainly
4 are flourishing in Canada, and from our point
5 of view, as librarians, they are producing many
6 of the most exciting titles and are continuing
7 to do so in spite of very small profits. I am
8 not forgetting, of course, the contribution
9 made by establishments like libraries by
10 McClelland and Stewart. My company, after
11 this délegation, welcomes the initiative of
12 the Commission in recommending a sizable loan
13 to McClelland and Stewart to rescue them from
14 their present crisis.

15 Just one basic thing, which
16 is really an underlying conviction of ours,
17 and that is where you have a small country
18 which shares a language with two larger
19 countries with which we are very closely
20 allied, there is only one way in which we can
21 assure publication and sale of the products
22 of our greatest talent, and that is by massive
23 support of all kinds and at all levels. This
24 is what our brief has attempted to suggest,
25 not necessarily on each and every point or
26 every phase of this business with large
27 sums of money. We recommend various forms
28 of national subsidies, but it is partly a
29 matter of allocation of the resources that we
30 have and re-examination of priorities that



1 this could be done in some instances without
2 great sums of money. I think that the basic
3 achievement is to keep the Canadian publisher
4 in business. The whole milk theory, that
5 cream always rises to the top, just doesn't
6 work in the case of talent in Canada, or
7 probably in any other country. Although I
8 have not see the brief from Mr. Kent and
9 Mr. Melvin, I agree with a great many of their
10 comments made this morning. I was surprised at
11 that one remark Mr. Camp made, he said
12 something about sentimentality. I don't
13 think it is sentimental at all. I think
14 it is essential for Canadian culture that we
15 are, in a sense, recommending a nationalist
16 step.

17 THE CHAIRMAN: It was Mr. Kent
18 who made the sentimentality remark.

19 PROFESSOR MARSHALL: I think it
20 is important, but I don't think it is
21 sentimental to be in favour of keeping it
22 Canadian.

23 THE CHAIRMAN: He put it,
24 as I recall, with nationalism, and I was
25 going to ask him whether he thought, really,
26 that nationalism was sentimental or it
27 was a mixture. That was simply of the heart.

28 PROFESSOR MARSHALL: I am
29 not denying that, but I think it is much
30 more practical -- as far as the recommendations





1 in our brief, I think you will find most
2 of them are familiar. We don't claim much
3 originality or great uniqueness about what
4 we have proposed, but we would hope that the
5 recommendations might offer support and
6 reinforcement and encouragement to others
7 who have made similar proposals. We think
8 that they are perhaps from a somewhat disinterested
9 point of view as witness the education of
10 librarians.

11 One thing in the brief may
12 indicate to a degree, and that is the emphasis
13 on distribution and the importance of solving
14 the problem of distribution. It has never been
15 solved, and many attempts have been made and
16 all of them have fallen flat, or fallen through.
17 Furthermore, it has never been studied and
18 the concluding recommendation is that a major
19 study be launched of the whole problem of
20 distribution and if we had a thorough, exhaustive
21 independent study, we could get concrete
22 recommendations which are desperately needed
23 at this point, for some measures which would
24 enable libraries, and so on, to give wholehearted
25 support to agency representatives as well
26 as original Canadian publishers. This
27 goes back to the fact that many of our
28 "publishers" are engaged as much in the
29 distribution of American and British volumes
30 perhaps more than publishing Canadian titles.





1 We believe they have the right to do this and
2 we would like to see them retain this and we
3 would like to support it, but as librarians
4 we have to have services which are equivalent
5 and competitive, both in terms of service
6 requirements and also distribution rights.
7 We have had a very good description on that.

8 One other emphasis in the brief
9 is the importance of paperbacks. I was very,
10 very strongly convicted that paperbacks are
11 the medium, they do compete with other media
12 such as magazines. We do not feel that Canadian
13 paperbacks have the slightest chance in competing
14 because the paperback distributors are, almost
15 without exception, large American concerns
16 who operate in a mass-market fashion, and
17 could not be concerned less about inclusion
18 of Canadian paperbacks in drugstores, newstands
19 and wherever you happen to see them, yet
20 these are the people who buy them. They are
21 not all of that quality.

22 DR. JEANNERET: You are speaking
23 more as a citizen than as a librarian?

24 PROFESSOR MARSHALL: I am speaking
25 as a librarian because I am concerned about
26 people buying and reading as I am about seeing
27 people borrow from a library.

28 DR. JEANNERET: That is a good
29 point, but I simply meant paperbacks, as such,
30 are not the prime concern of the librarian?



1 PROFESSOR MARSHALL: Yes, they
2 are. There has been a change in the past
3 decade or so. Libraries have -- one of them
4 is that paperbacks can be purchased and made
5 available through libraries and the old concerns
6 about physical deterioration are no longer
7 as serious. They will stand up and, per dollar,
8 some studies have shown they stand up better,
9 indeed.

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1 DR. JEANNERET: If I might pursue
2 this point so that I get it clearly, it has
3 been my experience that the same book offered
4 in paperback at \$1.95 and at \$8.50 -- and
5 I am thinking of Harold Innis, will not sell
6 5 per cent of its library sale in paperback.

7 PROFESSOR MARSHALL: I think you
8 are right. This is part of a service to
9 librarians and, from my point of view, my
10 own feeling is that the paperback could be
11 justified economically and could now be
12 justified in terms of its physical ability
13 and in terms of service to its clients.

14 DR. JEANNERET: And it can
15 be expendable to some extent.

16 PROFESSOR MARSHALL: And also it
17 can be expendable, it can be used right up to
18 and including giving away paperbacks or
19 having an exchange system where you put one
20 in and take one out -- this kind of thing.
21 I am not worried whether or not they do come
22 back, as long as they do serve some simple
23 kind of system, and not cataloguing or
24 wasting time and processing them with all the
25 other types of books and looking at them as
26 expendables. You are quite right, this is
27 a growing trend.

28 THE CHAIRMAN: I wonder, Professor
29 Marshall, if any of your colleagues wish to
30 say anything?





1 PROFESSOR LAND: Might I just
2 add one footnote to the paperback. I think the
3 context in which this has been discussed is
4 the public library printing, rather than the
5 academic library, where the material it would
6 buy perhaps would not be the kind of material
7 that is generally available in paperback with
8 some notable exceptions of Canadian materials,
9 and there is some concern here for physical
10 preservation and durability in the academic
11 library, whereas, in the public library, currency
12 popularity, and so on, would suggest that the
13 library does better to supply these, display
14 them, circulate them and throw them away when
15 they have outlived their usefulness, rather
16 than the academic library trying to retain
17 material for possible future use.

18 THE CHAIRMAN: Any other footnotes?

19 PROFESSOR CARIOU: The students
20 here and now are more interested in what is
21 happening right now and paperbacks are right
22 in that area, and once the issue is finished,
23 they can be discarded. I think they are very
24 attractive to students as well.

25 PROFESSOR MARSHALL: Some
26 libraries are buying both, a hardcover copy
27 for permanent cataloguing and several paperbacks
28 for free distribution -- not free, but
29 ordinary distribution. This is a very practical
30 way.





1 THE CHAIRMAN: We would like
2 to ask one or two questions.

3 MR. CAMP: Professor Land, just
4 as an aside, you are the author of a book
5 about the favourite territory of mine, aren't
6 you?

7 PROFESSOR LAND: Yes.

8 MR. CAMP: You publish it in
9 paperback?

10 PROFESSOR LAND: Yes, and in
11 hardcover at the same time.

12 MR. CAMP: I would like to
13 compliment you very much on it.

14 DR. JEANNERET: That will sell
15 a few copies.

16 MR. CAMP: I was just going
17 to get to that. As an author, speaking to you
18 as one speaking for myself, the simultaneous
19 release of hardcover editions and paperbacks
20 in original issues would seem to me not to
21 be in the interest of the author, in terms
22 of royalty payments, for example. I don't know,
23 I may have made the wrong judgment, but you
24 can perhaps give me your reaction to this in
25 terms of the author's interest.

26 PROFESSOR LAND: I think possibly
27 the content would certainly have a bearing on
28 this. The particular book that I wrote the
29 publisher felt might be directed to students
30 in political science courses and I think, for



1 this reason, he foresaw some sale in university
2 book stores and with the cost factor in mind.

3 MR. CAMP: I can tell you that
4 I don't think I ever saw the hardcover edition.

5 DR. JEANNERET: You have to
6 get the hardcovers in the libraries.

7 PROFESSOR LAND: Yes.

8 MR. CAMP: Book stores have
9 not any choice?

10 PROFESSOR LAND: No. I
11 suppose I have mixed feeling about this. This
12 is a Canadian publisher who published the work,
13 a small beginner, as a matter of fact, it was
14 the first one.

15 MR. CAMP: It was Martin, was
16 it?

17 PROFESSOR LAND: Yes, the first
18 work he did and certainly one of the severe
19 limitations was the distribution. For example,
20 any time I went to the International Airport
21 and picked up a paperback and so on, I would
22 see all other publishers represented.

23 THE CHAIRMAN: I think we all
24 enjoy the authorship time, more or less.
25 I can say that I also share the same kind of
26 feeling and one wonders whether distribution,
27 in fact, can exist for Canadian authors in
28 Canada. This is one of the things we are
29 going to be looking at.

30 MR. CAMP: I would just want to



1 say that we don't have very many authors appearing,
2 or at least we haven't so far. That
3 particular recommendation does seem to me,
4 I would think would be a prejudice to the author.
5 I don't have very much more to ask except the
6 long-term loan recommendation which includes
7 the provision of low-interest rates to be
8 tax deductible. I was trying to satisfy my
9 own mind as to whether or not you envisaged
10 federal or provincial loans or both or some
11 combination; in other words, do you make
12 any assignments to responsibility in this
13 regard?

14 PROFESSOR MARSHALL: No, I don't
15 think so. We were concerned with the
16 principle. As a taxpayer, I don't care where
17 it comes from.

18 MR. CAMP: Well, it makes a
19 difference.

20 PROFESSOR MARSHALL: Yes, of
21 course it makes a difference but I think this
22 is for the Commission to make recommendations.

23 MR. CAMP: If it is a federal
24 loan, it would be tax-free in that case, and
25 they might as well make it so.

26 PROFESSOR MARSHALL: This was
27 a technicality I was not sufficiently aware
28 of.

29 MR. CAMP; It is an
30 interesting way of involving the federal



1 government in loans.

2 THE CHAIRMAN: We are in one
3 of the rare occasions in this set of hearings
4 where I have to ask Mr. Camp a question. What
5 is the distinction between a loan being federal
6 and provincial?

7 MR. CAMP: Because the provision
8 that the interest rates are tax deductible are
9 federal.

10 THE CHAIRMAN: No, with great
11 respect.

12 MR. CAMP: If you are going to
13 claim the interest payments as tax deductible,
14 it is going to be claimed under the Federal
15 Tax Law.

16 THE CHAIRMAN: Of course, there
17 is only one tax form at the moment.

18 MR. CAMP: You have expectations.

19 THE CHAIRMAN: Of course.

20 DR. JEANNERET: I thought the
21 brief was extremely useful because of the point
22 of view from which it was written. Just one
23 or two quick points.

24 On page 1 you say - and I don't
25 think you dealt with this, Professor Marshall:

26 "We cannot and should not
27 expect foreign-owned firms,
28 whether British or American, to
29 publish Canadian titles, which,
30 however important to us as



1 Canadians, have little sales
2 possibility elsewhere in the English-
3 speaking world."

4 I am sure you will agree that this can be
5 taken as a universal truth.

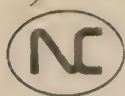
6 PROFESSOR MARSHALL: It was not
7 intended in that sense. What I meant was
8 that in any country there is a certain proportion
9 of titles which are of local, regional or
10 national interest, which you don't expect
11 to sell outside. Now when this happens
12 in Britain, or in the United States, the
13 internal market or the domestic market is
14 sufficiently large that it is economically
15 possible to publish its title and never sell
16 a copy outside but, in Canada, on the contrary,
17 the market is small enough that there is
18 exactly where we especially need subsidy.

19 DR. JEANNERET: On your recommendation
20 again, about not buying around whenever possible
21 to avoid it -- I am paraphrasing you -- you
22 bring up this phrase "whenever possible" again

23 but you get off the hook by thorough study --

24 ". . . we suggest a thorough
25 study by a qualified research
26 group with the cooperation of
27 libraries, schools and the book
28 industry.",

29 and I certainly think that is worthy of a
30 recommendation, but we won't solve it before lunch.



1 PROFESSOR MARSHALL: I must say
2 I hope there was not any impression that we
3 were in any way discussing firms like
4 MacMillan and Company, who are British and
5 who do publish Canadian material, or any of
6 the publishing firms. We stand foursquare
7 on the principle that citizens and librarians
8 must have free access to all free knowledge
9 in the entire world, period. We won't allow
10 anything to interfere with the implementation
11 of that principle, but we are concerned also
12 with the difficulties which exist in the way
13 of free access, free knowledge, as far as
14 Canadian authors are concerned. We think this
15 is extremely serious and we think we simply
16 must take pretty drastic steps to arrest this
17 and perhaps achieve some measure of economic
18 viability.

19 DR. JEANNERET: It is so
20 elementary that I needn't ask you, perhaps,
21 but do you subscribe to the principle that,
22 whatever happens, Canadians must not be denied
23 access to any of the world's literature in
24 one way or another?

25 PROFESSOR MARSHALL: We certainly
26 agree with that.

27 THE CHAIRMAN: We appreciate
28 very much your coming. It was a most interesting
29 presentation and will be very useful to us.

30 PROFESSOR MARSHALL: Thank you very



1 much and thank you for the opportunity.

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4
5 SUBMISSION OF RADICALS FOR CAPITALISM

6
7 THE CHAIRMAN: Now, Mr. Nathan,
8 President of Radicals for Capitalism. You have
9 given us a short brief. Do you want to bring
10 out any points you feel are appropriate?

11 MR. NATHAN: Yes, I think the
12 fundamental statements that we wish to make
13 are contained in the brief as it stands, but
14 there are several points that I think need a
15 small amount of elaboration, one of which is
16 the essential fundamental philosophy, which
17 seems to be behind the establishment of
18 Commission such as this one, which apparently
19 considers that the purpose of the government
20 to attempt to encourage a nationalistic
21 feeling among the citizens and one of the
22 problems involves the question that if Canadian
23 citizens are not sufficiently nationalistic
24 that they will buy their own books, the question
25 of whether the government force will change
26 that situation, or is it a problem of whether
27 it is really worthwhile to do so?

28 There were several points that
29 people speaking earlier today made which
30 disturbed me to a certain extent. The problem





1 of the question of whether there is a right
2 to publish in Canada, brings up the question
3 of exactly what publication is and, as I
4 understand it, publication is simply the
5 printing of someone's ideas and to that extent
6 it is simply an extension of speaking.

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1 The idea that the right to speak
2 should be limited in any way is, I find, rather
3 frightening, particularly when this is done
4 on the basis of something such as the nationality
5 of the person to speak. One of the problems
6 that also appears is the question of subsidies.
7 Apparently, if a Canadian author is
8 unable to find someone to publish his material,
9 it seems to be the opinion of a large number
10 of people that the government ought to assist
11 him in publishing, either by subsidizing him
12 or subsidizing some particular firm of publishers
13 to have his book published. The problem is,
14 if people are unwilling to buy his material,
15 that he has the right to have the government
16 as an agent for him to force people to buy
17 through taxation.

18 Another problem involves the
19 question of who is to decide who will receive
20 subsidies and who will not. Apparently the
21 market, the government has decided, is not
22 capable of deciding which Canadian authors
23 are to be supported because they have not
24 been bought and, therefore, the government
25 will step in and subsidize those authors
26 which they consider to be of value. The problem
27 with this approach is, essentially, the Canadian
28 government itself has been the problem --
29 the problem is that even though Canadians are
30 unable to choose in the market, apparently the

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry, no matter how small, should be carefully documented to ensure the integrity of the financial data. This includes recording dates, amounts, and the nature of the transactions.

The second part of the document outlines the procedures for reconciling the accounts. It states that the accounts should be reconciled at the end of each month to identify any discrepancies. This process involves comparing the internal records with the bank statements and ensuring that they match.

The third part of the document describes the methods for analyzing the financial data. It suggests that the data should be analyzed on a regular basis to identify trends and patterns. This can help in making informed decisions about the future of the organization.

The fourth part of the document discusses the importance of transparency in financial reporting. It states that all financial information should be made available to the relevant stakeholders in a timely and accurate manner. This helps in building trust and ensuring that everyone is on the same page.

The fifth part of the document outlines the responsibilities of the financial team. It states that the team is responsible for ensuring that all financial transactions are properly recorded and reported. They are also responsible for maintaining the accuracy of the financial data and providing regular updates to the management.

The sixth part of the document discusses the importance of budgeting. It states that a budget should be developed for each year to guide the organization's financial planning. This helps in allocating resources effectively and ensuring that the organization stays on track with its financial goals.

The seventh part of the document describes the methods for monitoring the financial performance. It suggests that the performance should be monitored on a regular basis to identify any areas of concern. This can help in taking corrective action and ensuring that the organization is meeting its financial objectives.

The eighth part of the document discusses the importance of risk management. It states that the organization should identify and assess the risks associated with its financial operations. This helps in developing strategies to mitigate these risks and ensuring the long-term sustainability of the organization.

The ninth part of the document outlines the procedures for handling financial emergencies. It states that the organization should have a plan in place to deal with any unexpected financial challenges. This helps in minimizing the impact of these challenges and ensuring that the organization can continue to operate smoothly.

The tenth part of the document discusses the importance of continuous improvement in financial management. It states that the organization should regularly review its financial processes and make improvements where necessary. This helps in staying up-to-date with the latest financial practices and ensuring the highest level of efficiency.



1 Canadian government which has been chosen by
2 the Canadian people, is capable of choosing
3 which Canadian authors are to be supported.

4 THE CHAIRMAN: I have just
5 written a note to myself, and I will communicate
6 it to you at this point, in connection with
7 the subsidization of authors there need not
8 be any kind of selection made because, as
9 a capitalist, as you obviously say you are,
10 you recognize the government of this country
11 is subsidizing an enormous number of people,
12 and if an author really wants to get it, all
13 he has to do is get on relief and he is well
14 looked after, so there really isn't too much
15 to be said for the question of who makes the
16 decision.

17 MR. NATHAN: That is certainly
18 true and I must admit I have considered the
19 possibility that if I felt like writing something
20 once a subsidy system came in, I could simply
21 write and have it published automatically,
22 but what disturbs me is the fact that other
23 Canadian citizens would be forced to support me.
24 I consider that if what I am producing is of
25 value, they will be interested in it and if
26 it is not, they won't. I will put my faith
27 in their voluntary choice, rather than the
28 use of government coercion.

29 There are two other points I
30 would like to make. There are essentially two





1 definitions of free speech extant in political
2 philosophy. One is that everyone has the
3 right to access to a method of publication to
4 be provided usually by a government and that
5 there is some sort of control as to what they
6 say. This is the method of definition of free
7 speech that is used in totalitarian countries.
8 If you talk to a communist he will say they
9 certainly have free speech and everyone has
10 the right to have his speech published in the
11 newspaper or have a book published.

12 There is the other definition
13 of free speech which has a more respectable
14 political history which is that someone has
15 the right to say anything he wishes but he
16 does not have the right to force other people
17 to say it for him, that is, to publish it for
18 him.

19 I think essentially, to sum up,
20 I am wearing a button (indicating) on which the
21 motto "Laissez faire" is printed and I think
22 that essentially ---

23 THE CHAIRMAN: I hope it was
24 made in Canada.

25 MR. NATHAN: I am afraid it was
26 not. There is nobody in Canada ---

27 THE CHAIRMAN: Oh.

28 MR. NATHAN: I think that
29 summarizes the essence of my political
30 philosophy that people ought to be left alone





1 to pursue their goals as they wish as long as
2 they, themselves, leave each other alone.

3 MR. CAMP: It is hard to stay
4 away from the philosophy in that you don't
5 feel any, do you feel any the less free because
6 somebody subsidized a railway, or the police?

7 MR. NATHAN: A railway, no,
8 but a policeman is protecting me. I believe
9 railways can be built privately and run privately.
10 Some of them were.

11 MR. CAMP: You are complaining
12 about the man yelling "fire" in the theatre,
13 which is Mr. Justice Holmes' philosophy. Would
14 it be all right with you?

15 MR. NATHAN: Certainly.

16 MR. CAMP: You say that
17 "any intervention that involves violation of
18 free speech (and I think this hinges on a word)
19 any intervention that involves violation of
20 free speech" -- you are talking of publishing
21 in the same context?

22 MR. NATHAN: Yes.

23 MR. CAMP: But surely there
24 is also the possibility that you deny free
25 speech by not publishing or making publishing
26 possible where it is not otherwise possible?

27 MR. NATHAN: Where it is not
28 otherwise possible would simply be where
29 Canadians have not chosen to make it so by
30 purchasing somebody's books.





1 MR. CAMP: Oh, I don't know.

2 You are denying the right of geography and
3 population and arithmetic and the economics
4 of publishing in such a country as Canada.
5 My suggestion to you would be that you share
6 with us some of the further testimony and then
7 review your concerns and see if there is not
8 some possibility that unless literal efforts
9 are made to sustain this aspect of Canadian
10 society and culture, that there would be
11 indeed a denial of free speech.

12 MR. NATHAN: I think it probably
13 involves the definition of exactly what free
14 speech is, as I mentioned earlier.

15 MR. CAMP: You are into semantics.

16 MR. NATHAN: Free speech means
17 the right to say anything that does not
18 harm another person. It does not mean the right
19 to have someone else say it for you, which is
20 to have someone publish it for you. That is
21 something which you have to do on the basis
22 of your merit and the basis of your persuasion,
23 not on the basis of government coercion.

24 DR. JEANNERET: Does it mean
25 the right to publish it yourself?

26 MR. NATHAN: Oh, absolutely.
27 Some of my best friends published various material
28 in their basement I don't believe you can
29 make a principle distinction between them
30 and some other large company that they are doing





1 the same thing.

2 THE CHAIRMAN: I have a definition
3 of free speech which I just have done and
4 that is it is sometimes to find out if
5 mischevious remarks are worth what you pay
6 for them, free speech. You are president of
7 Radicals for Capitalism. Is it a corporation?

8 MR NATHAN: It is simply an
9 association of university student-aged people
10 who are concerned with political philosophy.

11 THE CHAIRMAN: University-aged
12 people?

13 MR. NATHAN: Not all university
14 students but all people generally concerned.

15 THE CHAIRMAN: Are you in
16 university?

17 MR. NATHAN: Yes, University
18 of Toronto. I am studying linguistics.

19 THE CHAIRMAN: Linguistics?
20 I see. The organization is not incorporated?

21 MR. NATHAN: No.

22 THE CHAIRMAN: Thank you very
23 much.

24 MR. NATHAN: Thank you ver much.

25
26 ---Adjournment

27

28

29

30



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